Also, a bill (H. R. 10687) granting a pension to Arthur Plumley; to the Committee on Pensions.

Also, a bill (H. R. 10688) granting a pension to Mamie Cartmell; to the Committee on Invalid Pensions,

Also, a bill (H. R. 10689) granting back pay to Auguste C. Loiseau; to the Committee on War Claims.

Also, a bill (H. R. 10690) for the relief of John H. Gatts; to the Committee on Claims.

Also, a bill (H. R. 10691) for the relief of John B. Canter; to the Committee on Claims.

Also, a bill (H. R. 10692) granting a pension to Clara L. Dolman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10693) granting an increase of pension to Olive J. Ebert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10694) for the relief of George L. Stone; to the Committee on Claims.

Also, a bill (H. R. 10695) for the relief of George Yusko; to the Committee on Military Affairs.

Also, a bill (H. R. 10696) granting a pension to Robert Melvin Palmer; to the Committee on Pensions.

By Mr. KNUTSON: A bill (H. R. 10697) for the relief of George Houston; to the Committee on Claims.

By Mr. LUDLOW: A bill (H. R. 10698) granting a pension to Patricia Swan; to the Committee on Invalid Pensions.

By Mr. SOMERS of New York: A bill (H. R. 10699) for the relief of W. D. Gann; to the Committee on Claims.

By Mr. STUBBS: A bill (H. R. 10700) granting a pension to Mrs. William M. Weatherford; to the Committee on Pensions

By Mr. THOMAS: A bill (H. R. 10701) granting an increase of pension to Sarah A. Coonradt; to the Committee on Invalid Pensions.

By Mr. TINKHAM: A bill (H. R. 10702) for the relief of William H. Ames; to the Committee on Claims.

Also, a bill (H. R. 10703) for the relief of Henry E. Lambert; to the Committee on Naval Affairs.

By Mr. TAYLOR of South Carolina: A bill (H. R. 10704) for the relief of Ellie Youngblood; to the Committee on Claims

By Mr. WERNER: A bill (H. R. 10705) for the relief of Emons Wolfer; to the Committee on Claims.

Also, a bill (H. R. 10706) granting an increase of pension to Bazil Claymore (or Clement); to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

9845. By Mr. BARRY: Petition of the National Guard Association of the State of New York, recommending that the Congress enact legislation authorizing an allowance of \$35 per month for quarters to each enlisted man of the United States Army detailed to duty with the National Guard as sergeant-instructor while on such duty; to the Committee on Military Affairs.

9846. By Mr. COLLINS: Petition signed by 46 patrons of star route 75176 from Nipton, Calif., to Nelson, Nev., praying for an extension of all existing star-route contracts, with an increase in compensation thereon to an equal basis with that for other forms of mail transportation; to the Committee on the Post Office and Post Roads.

9847. By Mr. CROWTHER: Petition from the Halean Chamber of Commerce, New York City; to the Committee on Foreign Affairs.

9848. By Mr. DELANEY: Petition of the National Guard Association of the State of New York, recommending that legislation be enacted authorizing an allowance of \$35 per month for quarters to each enlisted man of the United States Army detailed to duty with the National Guard as sergeant-instructor while on such duty; that such payments and also any payments heretofore made for rental of quarters for such noncommissioned officers shall be considered as an allowance to the individual; to the Committee on Military Affairs.

9849. Also, petition of the National Guard Association of the State of New York, resolving the Naval Reserve law have

incorporated in it provisions insuring for its Reserve a reasonable voice in vital decisions affecting policy and administration over the Reserves; a reasonable right of presentation of Budget estimates on Naval Reserve needs to Budget officials without being subjected to curtailments by officials in charge of other activities; and reasonable guaranties that appropriations for the Naval Reserves, after enactment by Congress, will not be subject to limitation of expenditures in greater proportion than other activities; to the Committee on Naval Affairs.

9850. By Mr. DUFFY of New York: Petition of the Societa Riunite Dell, East Side, Rochester, N. Y., and other organizations, protesting against proposed changes in the practice of American neutrality during the continuance of the Italo-Ethiopian conflict; to the Committee on Foreign Affairs.

9851. Also, petition of residents of Rochester, N. Y., requesting passage of House bill 8739, providing for prohibition in the District of Columbia; to the Committee on the District of Columbia.

9852. Also, petition of residents of Rochester, N. Y., requesting passage of House bill 8739, providing for prohibition in the District of Columbia; to the Committee on the District of Columbia.

9853. Also, petition of residents of Rochester, N. Y., protesting against American association with the League of Nations sanction activities; to the Committee on Foreign Affairs.

9854. Also, petition of residents of Rochester, N. Y., members of Cornelia Lodge of the Order of the Sons of Italy in America; to the Committee on Foreign Affairs.

9855. By Mr. KRAMER: Resolution of the Los Angeles County Farm Bureau, relative to legislation to make agricultural stabilization a permanent reality, etc.; to the Committee on Agriculture.

9856. By Mr. PFEIFER: Petition of the National Guard Association of the State of New York, concerning legislation authorizing an allowance of \$35 per month for quarters to each enlisted man of the United States Army detailed to duty with the National Guard as sergeant-instructor while on such duty; to the Committee on Military Affairs.

9857. By Mr. STEFAN: Petitions bearing the signatures of 575 citizens of Chambers, O'Neill, and Osmond, Nebr., asking the Congress to enact legislation that will indefinitely extend all existing star-route contracts and increase the compensation to an equal basis with that of other forms of mail transportation; to the Committee on the Post Office and Post Roads.

9858. By Mr. THURSTON: Petition of residents of Mahaska County, Iowa, urging strict and mandatory neutrality legislation; to the Committee on Foreign Affairs.

9859. Also, petition of sundry citizens of the Fifth Congressional District of Iowa, urging legislation to prohibit rebates to chain stores; to the Committee on Interstate and Foreign Commerce.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JANUARY 29, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, we rejoice that the things which gladden, enrich, and perfect life are Thy gifts; Thou, O Lord, art the supreme Giver and the source of all our blessings. We pray that our thoughts and affections may be centered on Thee, forgetting not Thy benefits. Through Thee we have the eternal faithfulness and love which constitute the essential glory and the well-being of human life; help us to walk in Thy wisdom with grateful hearts. Forgive our faults and temper, which often lessen our influence and mar the force and beauty of the finer qualities of character. Take unto Thy care our Speaker and all other Members of the Congress; give them health and strength in the accomplishment and fulfillment of their high calling. Now the God of hope fill

you with all joy and peace in believing that you may abound in hope and in the power of the Holy Spirit. In the name of our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

PERMISSION TO ADDRESS THE HOUSE

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, this 29th day of January 1936 is the ninety-third anniversary of the birth of our martyred President, William McKinley.

I speak of him in no partisan spirit, for he and his accomplishments belong to all people of all parties and to the ages.

In these days of hustle, bustle, and confusion, when we are so intent upon those matters which pertain to the material, we should, nevertheless, take time to pay proper respect to the memory of those with whom we have been associated, and to those men who have in days gone by contributed so much of themselves for the good of us all.

The record discloses that in these very Halls William McKinley was uncompromising on every question of principle, unswerving in party fealty, courteous to his opponents, impersonal in debate, and, as the leader of his party, one who discharged his duty with courtesy and fairness, and in so doing achieved significant and conspicuous success as a legislator.

As Governor of Ohio, he was firm and unyielding in his enforcement of the law. He made duty, honor, and integrity the criterion of his administration.

As President of the United States, he stood by the helm and piloted the ship through stormier seas than had been faced by any other President since Lincoln. No man in the White House ever has commanded in greater measure the sincere respect, good will, and genuine affection of the people, and as Chief Magistrate of the Nation the full measure of his greatness as a man stands revealed.

On the pedestal of that statue which stands before the imposing monument at Canton are inscribed these words:

WILLIAM M'KINLEY

President of the United States

A statesman singularly gifted to unite the discordant forces of government and mould the diverse purposes of men toward progressive and salutary action. A Magistrate whose poise of judgment was tested and vindicated in a succession of national emergencies—good citizen—brave soldier—wise Executive—helper and leader of men—exemplar to his people of the virtues that build and conserve the state, society, and the home.

On this, then, the anniversary of his birth, may we not well say of him, in the words of Drummond, that "he lives who dies to win a lasting name."

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SWEENEY. Mr. Speaker, on January 21, by formal resolution, this House paid its mark of respect to the late British King by adopting a resolution of adjournment. That resolution was debatable, and on that occasion I sought to obtain recognition. I failed to obtain recognition, and voiced my protest by voting "no." Immediately thereafter, the newspapermen, sensing some value in that action, asked me my reasons. I told them that I did not believe that it was consistent with democracy to pay such a lavish tribute by adjourning out of respect to the memory to a foreign king; that I recalled it was during the reign of King George V that many of the Irish people, including my relatives and friends, were murdered when the "black and tan" invasion came to Ireland. That army was recruited from the White Chapel slum district of London and from the jails of England. That army went over to Ireland and murdered those people because they dared to express the same sentiment

that Patrick Henry expressed in the Virginia House of Delegates. That they preferred death to a denial of liberty. I do not want to be charged with making a statement to the newspapers that I would not make on the floor of this House if I had the opportunity and was in order. That is why I asked for time to make this statement.

The papers carried this story, and I have been subjected to criticism because, I have been told, I was showing bad taste to rise in a democracy and register my right of protest as a Member of this House. I think it borders on a question of privilege, but I do not care to raise that question. I want the Record to show that I protest against the action of this House in paying a \$50,000 tribute to the memory of King George of England. That is what it cost the tax-payers—the expense of running the House for 1 day.

I have nothing against King George personally. May God have mercy on his soul. But I despise the symbol which he represented, just as our forefathers despised that symbol in the days of the American Revolution. He represented the symbol of imperialism. I say, therefore, I am disgusted with the toadyism and the desire of some of our American people to again become subservient to England and bring about the dream of the late Andrew Carnegie and other West Britons—an American-British union.

Mr. Speaker, I find no fault with the President of the United States in his action. He had a perfect right, and he was on solid ground, in sending a message of condolence to the bereaved family. I have no fault to find with the Secretary of State in calling upon the British Embassy and the Dominion Ministers' offices to pay his formal and official respects; but I do say it was going a little too far to cause this House to adjourn on that occasion, precedents to the contrary notwithstanding. I have searched the record, and I do not find anywhere in the annals of the British Government that the British Parliament ever adjourned out of respect to the memory of a dead President of the United States. We are going too far, and it seems to me we are getting into the same atmosphere we got into just before the last World War. We are going to have British influence surround us in connection with the coming neutrality resolution. We are on the eve of another world war. Now, it seems, we are getting ready once again to pull England's chestnuts out of the fire. I pray to God we may not repeat

the terrible blunder we made in 1917. Mr. Speaker, I was in Europe after the "black and tan" invasion and I saw the wounds it left on Ireland. I saw the fresh graves and the property that was destroyed. I went over to England and visited the House of Parliament. I talked to British officials. I discussed the fact that this country saved Britain at the time of the last war. I was met with the contemptible answer, "You came in too late. You just came in to save your own face and your own hide." Ask any Yankee boy who was over there in the Army and who made contact with the British Tommy. He will tell you the same sentiments were expressed to him. We gave them the money and we gave them the men. All we received was scorn and condemnation. I make no apology for my action on the floor of the House in voting "no." I am sorry I was not recognized at the time. I have no feeling against the Speaker of the House. With his name, his background, and his reputation, I am sure he is a good American.

Mr. Speaker, nothing is more nauseating to me, an American-born citizen and a Member of the Congress of the United States, than to witness the supine debasement of patriotism on the part of many officials in this country, and especially in the Nation's Capital. The atmosphere of official Washington, generally charged with the aroma of pro-British influence, suddenly became surcharged with the passing of King George V. One would have thought from the lavish external manifestation of lamentation and grief that we were still a part of the British Empire.

The subsidized press of the Nation, many of them former recipients of the financial bounty of one late Lord Northcliff, who propagandized this Nation into the last World War by publicising the false charges of cruel atrocities inflicted upon

the women and children of Belgium by the German soldiers, | spread themselves and devoted space to the passing of the King comparable only to the Lindbergh tragedy.

No event in the life of the late "democratic King" was overlooked. The same newspapers will continue to engage our sympathy and respect from now until the coronation of the new ruler, Edward VIII, by feeding us the maudlin, sentimental stories of his life from the cradle to the Crown. You have to hand the palm to the British as being past masters of clever propaganda.

We have entered into an official period of mourning for the King of England. The House of Representatives of the United States adjourned. In his honor a congressional reception scheduled for January 23 and all official receptions have been postponed. This establishes a precedent which may be followed with the passing of a Hitler, a Mussolini, or any other king or potentate, and commits us to a "Hands across the sea" policy, heretofore repugnant to the free institutions of the United States.

Mr. Speaker and Members of the House, may I suggest with all due respect that Washington's Farewell Address be not only read to the Members of the House on his birthday, February 22, but at the conclusion of the rendition of divine invocation each day by the Chaplain that the masterpiece of the Father of this Republic be intoned, especially that portion of it that warns us "to avoid entangling alliances with foreign powers."

The most dangerous influence in the United States today comes through agencies sustained by the Carnegie Foundation. Especially do I refer to the Carnegie Endowment for International Peace, which is the spearhead of internationalism in America. Add to that the English Speaking Union and the Sulgrave Institution. They lose no opportunity to acquaint us with the superior complex of the British as a governing class.

It was the dream of the late Andrew Carnegie, and so expressed in his Triumphant Democracy, published in 1893, to bring about a British-American union. On pages 548-549 of the book referred to Mr. Carnegie says:

Time may dispel many pleasing illusions and destroy many noble dreams, but it shall never shake my belief that the wound caused by the wholly unlooked-for and undesired separation of the mother

from her child is not to bleed forever.

Let men say what they will; therefore, I say that as surely as the sun in the heavens once shone upon Britain and America united, so surely is it one morning to rise, shine upon, and greet again the reunited state, the "British-American Union."

This excerpt so incensed the American public by its boldness and its evidence of unpatriotism that it was deliberately deleted from the subsequent editions of Triumphant Democracy published. Since that date, however, the sentiment expressed in the former edition is carried into the edition published in 1933, and is indicated in this language on page 407:

That the bonds between my dear native land and my beloved adopted land may be strengthened and drawn more tightly together. For sure am I, who am in part the child of both, and whose love for the one and the other is as the love of man for mother and wire, sure am I that the better these grand divisions of the British race know each other the stronger will grow the attachment between them, and just as sure am I that in their genuine affection and indissoluble alliance lie the best hopes for the elevation of the human race. God grant, therefore, that the future of my native and adopted lands may fulfill the hope of the stanchest, ablest, and most powerful friend of this land and the Great Commoner of his own, that "although they may be two nations, they may be but one people." wife, sure am I that the better these grand divisions of the British

Mr. Speaker, I believe it would be fitting and proper for the Congress of the United States, heretofore bent upon disclosing subversive propaganda destructive to the best interests of this Republic, to investigate the activities of these specific agencies to which I referred.

If an American citizen dares to publicly express his resentment against the influence of the British Crown in this country, especially if that citizen happens to be of Irish extraction, he is immediately characterized as a cheap politician and a "twister of the lion's tail."

My first allegiance is to this my native land. I have and

still denied the liberty that we enjoy. Thanks to the sacrifice of a Washington, a Barry, a Moylan, and a host of others who were not afraid to risk their lives to bring this Republic into being. Before I ever held public office, from a thousand platforms I condemned the dissemination of British propaganda in this country. I publicly opposed our entry into the last World War, knowing full well that we would emerge from that conflict with terrific loss of life and money, and that England, as of old, would emerge with thousands of miles of more territory added to her far-flung dominion and millions of human beings over which she would hold subjection.

Mr. Speaker, "Forewarned is forearmed." The recent information coming from the Nye Munitions Investigation Committee that a former war President of the United States knew of the existence of secret treaties before he entered the council at Versailles, that records were falsified before the Foreign Relations Committee of the Senate, is a startling disclosure.

We have been in the past and will unless we assert our rights again become the cat's-paw of clever British diplo-The influence of Great Britain brought about the cancelation of several billion dollars of war debts. Its influence, combined with the influence of the international bankers, brought about in 1931 a moratorium on the debt due from our allies of the last war, beneficial chiefly to the British Government.

There is now and there has been ever since the termination of hostilities in the last World War an agitation in favor of complete cancelation of the war debts. How far we will go in sustaining this position no man can tell. Suffice to say that if we continue our efforts to become a member of the League of Nations and the World Court, we will be involved in the internal affairs of Europe, and the cancelation of war debts is assured.

May I suggest now that we have given official exhibition of our grief in the passing of the late British King that we endorse the old British custom by giving public utterance, "That the king is dead; long live the king"; that we send a delegation representing the American Congress to attend the coronation ceremonies in honor of His Highness King Edward VIII, and that we express by resolution our regrets that common sense and forbearance did not inspire our Revolutionary fathers to avoid disaster and dissolution from the mother country instead of the physical force that they resorted to at Bunker Hill and Valley Forge.

Mr. SNELL. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SNELL. Mr. Speaker, I was not only somewhat astounded but chagrined to read in the morning paper the following headline:

Marine Band "plays" vengeful New Deal tune; walks out behind Navy on women patriots.

As I understand it, this women's patriotic organization that is meeting in this city at the present time represents some 500,000 of the leading patriotic women of America; women from all parts of the country, from all walks of life, and from all political parties, who are primarily interested in maintaining national defense and the continuation of present day American institutions.

The Marine Band, which we are all proud to call one of the premier musical organizations of this country, is supported by the taxpayers' money, and belongs to the people. It is for all the people of the United States, and I never supposed before that they, in any way, represented any special political party or stood for any special political interests. Politics are not a part of the daily routine of the Naval Establishment. The only reason yet assigned for their leaving this organization last night is the fact that these women had the temerity to listen to an outstanding constitutional address by one of the leading students of the Constitution and one of the leading Democrats of the country, a man who had been always will be a sympathizer of those subject people who are closely allied with and held a high post in the Wilson administration, and as far as I know, has always maintained his Democratic regularity. Of course, in this speech he did criticize the New Deal, and a man could hardly discuss the Constitution at the present without doing that, but has the time come in this country when free American citizens cannot criticize the acts of the administration? As far as I know, never has anything of this character happened before.

[Here the gavel fell.]

Mr. SNELL. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SNELL. And it certainly was most astonishing to hear that such a thing as this could happen in Washington, the seat of the Nation's Government.

Is this, as a matter of fact, a forerunner of what Mr. Farley said would be the bitterest and the dirtiest campaign in American history? It certainly looks like something along that line, and I am wondering if the time has come here in America when free speech, free press, and free assemblage of law-abiding citizens are going to be oppressed. To me it smacks of something that is un-American; and while this is a mere incident at this time, remember that the whole procedure is abhorrent to the American people and is not in accord with the American system and American ideals.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield to me?

Mr. SNELL. Yes.

Mr. O'CONNOR. The gentleman will recall that free assemblage of American citizens down here on Pennsylvania Avenue of some veterans when Mr. Hoover brought out the artillery to drive them out of town.

Mr. SNELL. I do not yield further. That was an entirely different situation, as the gentleman knows; and the President did not call out the troops until the District officials said they could not cope with the situation. President Hoover did exactly as Woodrow Wilson did during his administration, when he called out cavalry to put down certain race riots in this city; and if he wants to debate that proposition, I am willing to discuss it with him. This was a meeting of patriotic women representing every grade of society from every part of the United States—a free, orderly assemblage—and are you going to stack your administration up against this kind of meeting? Are you going to use the force and power of the administration to prevent meetings of citizens for fear they will in some way criticize official acts of the administration?

The President has said many times he is willing to be criticized. But it looks to me as if he is getting very thinskinned all of a sudden and cannot take it, and is going to use all the force and power at his command to prevent it.

Who issued the order for the Marine Band to walk out? What was back of it? Tell us the whole story.

Is this the beginning of autocratic rule in America?

The American people are entitled to know why the Marine Band cannot play before a patriotic society of American women in the city of Washington. [Applause.]

Mr. WHITE. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

Mr. RANKIN. Mr. Speaker, reserving the right to object-

Mr. TAYLOR of Colorado. Mr. Speaker, reserving the right to object, we have some 30 applications for speeches in general debate on this side of the House, and the minority has about as many. This general debate has gone on now for 2 entire days and we will probably have to run all day today. There will be another appropriation bill before the House next week and general debate on that. I want to finish consideration of this bill this week, and I hope we may commence reading the bill tomorrow. I will object to any further requests.

The SPEAKER. The gentleman from Colorado has the right to object at any time.

Mr. TAYLOR of Colorado. I shall not object to this request.

Mr. RANKIN. Mr. Speaker, will the gentleman yield to me to propound a question to the gentleman from Colorado?

Mr. WHITE. I yield.

Mr. RANKIN. Are we going to have general debate all day today?

Mr. TAYLOR of Colorado. I think so; and I want to close general debate today. As I have said, we have a large number of applications to make speeches, and I do feel there ought to be a limit to these unanimous-consent requests. I shall not object to this request.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. WHITE. Mr. Speaker and Members of the House, our Government, our people, and the Reclamation Service have lost a great educator and a great leader.

Dr. Elwood Mead, Commissioner of Reclamation, who died Sunday, was an eminent engineer, whose record in the field of reclamation has received world-wide recognition through his preeminent qualifications, his understanding of the problems of irrigation, and the effective results of his work in the hydraulic and reclamation field. Starting in his chosen vocation in his native State of Indiana after leaving school in the early eighties, he made river surveys for the Federal Government. On the completion of this work, he entered the educational field as a teacher of mathematics and rapidly rose in his profession, gaining recognition as an authority on reclamation and irrigation. After 4 years of educational work, Dr. Mead was called to serve Wyoming as Territorial engineer and was its first State engineer after its admission to the Union, where his experience and knowledge of irrigation was invaluable in incorporating into the constitution of the State a new system of laws governing the use of water, which has been adopted by many other States and some foreign countries.

After a successful administration as Chief of the Irrigation and Drainage Section of the Department of Agriculture, Dr. Mead was placed at the head of the Rivers and Water Supply Commission of the State of Victoria, in Australia. The system of water conservation and reclamation districts constructed under his 8 years of administration in Victoria has been a model for irrigation projects throughout the British Empire.

Returning to his homeland to take up the work of education in the University of California, he was appointed Commissioner of Reclamation by President Coolidge in 1924.

The 11 years that Dr. Mead has directed the activities of the Bureau have been the greatest in the history of reclamation. Twenty-two dams have been completed, and twice the world record for high dams has been broken—the Owyhee Dam in Oregon and later the Boulder Dam in Nevada. Twenty projects are now under construction—one, the Grand Coulee Dam across the Columbia River, is the largest in the world.

Dr. Mead died as he might have wished—in the service of his country and in charge of one of its greatest construction activities. It would be difficult to estimate the value of the service Dr. Mead has rendered the people of the United States by turning desert lands into producing fields, thus promoting the general welfare by adding to the productivity and business activity of the Nation. Reclamation has given this Nation some of the most substantial and prosperous communities to be found anywhere.

To appreciate the magnitude of the work that has been done under Dr. Mead's direction and its vast importance and immense value to all of us, one must go through the orange groves and vineyards of California; the winter gardens of the Imperial Valley; the cotton fields of Arizona; the beautiful fruit lands and alfalfa fields of Idaho; the blooming orchards in the Wenatchee Valley in Washington, the home of the delicious apple; and the potato fields and melon patches of Colorado; the celery gardens of Utah. When we visit the beautiful scenes of the irrigated and reclaimed areas nestling in the shadow of our western mountains, with cities and towns of modern construction, surrounded by the pretty homes of a prosperous and contented people,

we are thankful to our Government for the services of good Dr. Mead, whose devotion to the ideals of reclamation and whose labor has made the desert bear so fruitfully.

Let the massive structures of the great irrigation dams of the West stand as his monument.

INCREASE OF IMPORTS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and include therein official figures on foreign trade.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. REED of New York. Mr. Speaker, under date of January 22, 1936, the Department of Commerce released for publication certain figures bearing upon the foreign trade of the United States in the calendar year 1935.

Although the administration professes to be engaged in a program of expanding our exports and finding a market for our products in foreign lands, the trade figures reveal that we have been giving up considerably more in the American market than we have gained in foreign markets. Here are the official figures:

Our exports in 1935 were valued at \$2,282,000,000, an increase of \$149,000,000 over 1934, or approximately 7 percent.

Our imports in 1935 were valued at \$2,047,000,000, an increase of \$393,000,000 over last year, or approximately 24 percent.

Translated into terms that everyone can understand, this means that for every additional dollar's worth of business gained in foreign markets we have given up \$2.64 in our home market.

The result of the administration's tariff-reduction policy has been to reduce our favorable balance of trade to the lowest point in 25 years. As additional trade agreements are negotiated and our rich domestic market is thrown open still further to foreign competition, we may expect our present favorable balance of trade to change to an unfavorable balance.

In order that the Congress and the country may be informed as to the nature of the increased imports from abroad, I submit the following table showing those items which were imported in substantially increased quantities in 1935 over 1934. The figures given were obtained from the Monthly Summary of Foreign Commerce, published by the Department of Commerce, and cover the 11-month period ending November 30 of each year. Statistics on individual items for the full year are not yet available.

Comparison of statistics of imports for consumption into the United States during January to November 1935 with January to November 1934 of commodities which showed a substantial increase in imports

Commodity	Unit of quantity	January to 1	November 1934	January to November 1935 Increase 19			rease 1935 over 1934	
Total value of imports		Quantity	Value \$1,508,640,000	Quantity	Value \$1,860,852,009	Quantity	Value \$352, 212, 0	
Meat products Beef, fresh Pork, fresh Canned meats nrimal oils and fats, edible Dairy products Butter Nob	Pound	56, 699, 000	11, 894, 000	104, 933, 000	17, 366, 000	49 224 000	E 479 O	
Roof frosh	Pound	138, 000	13, 000	8, 120, 000	742,000	48, 234, 000 7, 982, 000	5, 472, 0	
Pork fresh	Pound	117, 000	18,000	3, 712, 000	512,000	2 505 000	729, 0	
Conned maste	Pound	39, 500, 000	2, 558, 000	69, 762, 000		3, 595, 000	494, 0	
nimal alle and fate adible	Pound	1, 403, 000	62,000		5, 011, 000	30, 262, 000	2, 453, 0	
Inimai ons and lats, ediole	round		9, 993, 000	18, 035, 000	1, 193, 000	16, 632, 000	1, 131, 0	
Party products	Pound	070 000	148, 000	00 224 000	14, 185, 000		4, 192, 0	
Dutter	Pound	872,000		22, 334, 000	3, 515, 000	21, 462, 000 31, 275, 000	3, 367, 0	
ish		260, 415, 000	20, 958, 000	291, 690, 000	24, 386, 000	31, 275, 000	3, 428, 0	
ildes and skins raw, except turs	Pound	188, 131, 000	33, 520, 000	276, 324, 000	41, 025, 000	88, 193, 000	3, 428, 0 7, 505, 0 7, 661 0	
furs, undressed	Pound	10 000 000	36, 513, 000		44, 174, 000		7,661 0	
Coney and rabbit nimal oils, fats, and greases, inedible	Pound	18, 069, 000	7, 990, 000	29, 976, 000	12, 861, 000	11, 907, 000	4, 871, 0	
inimal oils, lats, and greases, medible		00 000 000	5, 160, 000		17, 599, 000		12, 439, 0	
Tallow Prains and preparations Corn	Pound	30, 923, 000	1, 154, 000 27, 807, 000	236, 525, 000	12, 551, 000 68, 296, 000	205, 602, 000	11, 397, 0	
Frains and preparations			27, 807, 000		68, 296, 000		4, 871, 0 12, 439, 0 11, 397, 0 40, 489, 0	
Corn	Bushel, 56 pounds.	1, 788, 000	915, 000	41, 150, 000	19, 531, 000	39, 362, 000	18, 616, 0	
Oats	Bushel, 56 pounds. Bushel, 32 pounds. Bushel, 60 pounds.	2, 750, 000	922, 000	10, 099, 000	19, 531, 000 2, 936, 000 11, 254, 000	39, 362, 000 7, 349, 000 8, 547, 000 8, 741, 000	2, 014, 0	
Wheat, full duty Wheat, unfit for human consumption Barley malt	Bushel, 60 pounds.	4, 594, 000 1, 236, 000	4, 591, 000	13, 141, 000 9, 977, 000	11, 254, 000	8, 547, 000	6, 663, 0	
Wheat, unfit for human consumption	Bushel, 60 pounds_	1, 236, 000	866, 000	9, 977, 000	6, 813, 000	8, 741, 800	5, 947, 0	
Barley malt	Pound	178, 802, 000	4, 599, 000	304, 920, 000	8, 680, 000	126, 118, 000	4, 081, 0	
Fodders and feeds			4, 599, 000 5, 793, 000 1, 315, 000		12, 310, 000		6, 517, 0	
Oil cake and oil-cake meal	Pound	157, 619, 000	1, 315, 000	291, 147, 000	3, 007, 000	133, 528, 000	1, 692, 0	
Wheat byproduct feeds	Ton	100,000	3, 166, 000	316,000	6, 581, 000	151,000	3, 415, 0	
rnits and preparations			32, 209, 000		36, 450, 000		3, 415, 0 4, 241, 0	
Barley malt Foodders and feeds Oil cake and oil-cake mcal Wheat byproduct feeds Fruits and preparations Nuts Vegetable oils and fats, edible Sunflower seed oil.			9, 953, 000		13, 738, 000		3, 785, 0	
Vegetable oils and fats, edible			7, 484, 000		23, 666, 000	de de la	3, 785, 0 16, 182, 0	
Sunflower seed oil	Pound	6, 793, 000	295, 000	34, 754, 000	2, 059, 000	27, 961, 000	1, 764, 0	
Corn oil	Pound	8, 567, 000	336,000	99 007 000	1, 379, 000	14, 340, 000	1, 043, 0	
Corn oil Cottonseed oil	Pound	3, 962, 000	165, 000	157 578 000	8 334 000	153, 614, 000	8, 169, 0	
Peannt oil	Ponnd		82,000	77, 964, 000	8, 334, 000 3, 234, 000	76 788 000	3, 152, 0	
locos or escao beans	Pound	417 003 000	18, 251, 000	551, 752, 000	24, 204, 000	134, 659, 000 448, 254, 000 64, 261, 000	5, 953, 0	
Cane sugar	Pound Gallon	5 373 032 000	106, 223, 000	551, 752, 000 5, 821, 286, 000	132, 545, 000	448 954 000	26, 322, 0	
Molasses inedible	Gallon	159, 805, 000	4, 966, 000	224, 066, 000	10, 351, 000	64 261 000	5, 385, 0	
Molasses, inedible Rubber, crude, and milk of Dil seeds	Pound	995, 053, 000	96, 373, 000	955, 907, 000	108, 729, 000	-39, 146, 000	12, 356, 0	
Til speds		500,000,000	19, 603, 000	000,001,000	30, 996, 000	00, 110, 000	11, 393, 0	
Copra	Pound	344, 885, 000	4, 094, 000	408, 387, 000	8, 699, 000	63, 502, 000	4 605 0	
Sesame seed	Pound.	12, 641, 000	312,000	136, 846, 000	3, 233, 000	124, 205, 000	4, 605, 0 2, 921, 0	
Expressed oils and fats		12,011,000	24, 993, 000	100,010,000	47 402 000	124, 200, 000	92 400 0	
Tung oil	Pound	104, 840, 000	6, 470, 000	108 985 000	47, 402, 000 11, 404, 000	4 195 000	22, 409, 0 4, 934, 0	
Tung oil. Coconut oil from Philippine IslandsPalm oil.	Pound	297, 311, 000	6, 984, 000	108, 965, 000 308, 274, 000	10, 020, 000	4, 125, 000 10, 963, 000	3, 946, 0	
Polm oil	Pound	152, 874, 000	3, 859, 000	263, 047, 000	10, 930, 000 7, 400, 000	110, 173, 000	2 541 0	
Cotton manufactures.	Today.	102,011,000	26, 450, 000	200,011,000	32, 108, 000	110, 110, 000	3, 541, 0	
			33, 076, 000		38, 777, 000	***********	5, 658, 0	
Durlong	Donnd	944 500 000	95 611 000	420 052 000	20, 111, 000	OF 444 000	5, 701, 0	
ute and manufactures. Burlaps. Parpet wool. Raw silk Wood, sawmill products. Shingles.	Pound Pound	344, 508, 000 81, 680, 000	25, 611, 000 10, 714, 000 68, 824, 000	429, 952, 000 158, 870, 000	30, 181, 000 21, 283, 000 85, 922, 000	85, 444, 000 77, 190, 000	4, 570, 0 10, 569, 0	
Daw oilly	Pound	53, 895, 000	68 824 000	62, 130, 000	85 022 000	8 225 000	17, 009, 0	
Wood commill products	round		10, 870, 000	02, 100, 000	10 000 000	8, 235, 000	17, 098, 0 7, 132, 0	
Chingles	Squares	1 900 000	2 250 000	0 447 000	18, 002, 000	1 107 000	7, 132, 0	
Trade and other male	oquares	1, 200, 000	3, 252, 000 56, 451, 000	2, 447, 000	6, 627, 000	1, 187, 000	3, 375, 0	
Wood and other pulp Standard newsprint paper Precious stones and imitations, diamonds Rough, uncut	Pound	2 079 200 000	00, 401, 000	1 pee pon non	62, 279, 000	000 000 000	5, 828, 0	
Standard newsprint paper	Found	3, 973, 002, 000	16, 689, 000	4, 266, 880, 000	73, 801, 000	293, 278, 000	5, 112, 0	
Priecious stones and initiations, diamonds	Carat	42 000	68, 689, 000 16, 602, 000 2, 720, 000 9, 040, 000	07 000	25, 065, 000	04.000	8, 463, 0	
Cut but not not	Cornt	43,000	0,040,000	67,000	4,009,000	24,000	1, 289, 0	
Cut but not set For glaziers, etc., not set Steel mill manufactures	Carat Carat	191,000	9, 040, 000	303, 000 794, 000	14, 183, 000	112,000	5, 143, 0	
r or giaziers, etc., not set	Carat				3, 709, 000	299, 000	1, 081, 0	
steel mill manufactures.			5, 707, 000	***********	9, 685, 000		3, 978, 0	
erro-anoys			8, 236, 000		11, 512, 000		3, 276, 0 28, 108, 0 3, 248, 0 2, 911, 0	
Nonierrous metals, except precious			92, 142, 000		120, 250, 000		28, 108, 0	
Copper (copper content)	Pound	368, 691, 000	25, 816, 000 10, 866, 000	426, 143, 000 54, 478, 000	29, 064, 000	57, 452, 000 11, 657, 000	3, 248, 0	
Nickel and alloys, n. e. s.	Pound	42, 821, 000	10, 866, 000	54, 478, 000	13, 777, 000	11, 657, 000	2, 911, 0	
Tin pars, blocks, pigs, etc.	Pound	86, 259, 000	43, 158, 000	129, 855, 000	63, 132, 000	43, 596, 000	19, 974, (
agricultural machinery and implements			1,810,000				2, 477, 0 1, 185, 0	
Green alloys. Nonferrous metals, except precious. Copper (copper content) Nickel and alloys, n. e. s. Trin bars, blocks, pigs, etc. gricultural machinery and implements. Clocks, watches, etc.			3, 826, 000				1, 185, 0	
Art works			14, 837, 000		19, 848, 000		5, 011, 0	

Source: Monthly Summary of Foreign Commerce of the United States.

IMMIGRATION

Mr. HILL of Alabama. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an address by my colleague, Hon. Joe Starnes, to the Eleventh Women's Patriotic Conference on National Defense at the Mayflower Hotel on January 28, 1936.

The SPEAKER. Is there objection?

There was no objection.

Mr. HILL of Alabama. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address by Hon. Joe Starnes, Member of Congress, to the Eleventh Women's Patriotic Conference on National Defense at the Mayflower Hotel on January 28, 1936:

For more than a century this country had no definite immigration policy nor effective immigration laws. After the War between the States the tide of immigration to our shores became so great that it soon created a serious national problem. Indeed, in that period of time embraced in the decade 1901-10, the tide was so strong we had approximately a million foreign-born immigrants entering our country each year. This large influx of for-eign born had the effect of lowering wages, lengthening the hours of labor, and definitely reducing the American standard of living in every respect. More serious than the effect on our economic life was the effect upon our American institutions and our form life was the effect upon our American institutions and our form of government. The people became aroused and Congress ordered an investigation. A congressional committee studied this problem for several years. Members of the committee visited practically every country in Europe studying at first hand the social, economic, and political conditions under which these immigrants lived. This committee made a very exhaustive and informative report of its activities. As a result of the studies and of the recommendations of this committee, the Immigration Act of 1917 was placed upon our statutes. This was the first definite and effective immigration program and policy in the history of our country. The author of program and policy in the history of our country. The author of this act was a splendid American and a distinguished Alabaman, Hon. John L. Burnett, who for more than 20 years represented the district which I now have the honor to serve. This Immigration Act of 1917 became our first basic immigration act and policy. The broad outlines of this policy were: (1) The exclusion or limitation of certain classes or types of immigrants; (2) deportation of aliens found guilty of certain offenses involving moral turpitude

of aliens found guilty of certain offenses involving moral turpitude and of subversive activities and doctrines which seek to overthrow our Government by force and violence; (3) absolute debarment from certain geographic areas in Asiatic countries.

The 1917 act was amended in 1924 and the amendatory act provided for the present policy of restricting immigration by establishing numerical quotas for each country except in the Western Hemisphere, and for an absolute bar to all aliens who are ineligible

for citizenship.

Even with these two excellent acts establishing for the first time a definite American immigration policy we find that during the past 10 years 3,687,547 aliens have entered the United States, of whom 2,010,896 were now immigrants. The 1930 census disclosed that we had 14,204,149 foreign born in the United States, of whom 6,284,613 were aliens. In other words, more than six and a quarter millions of these foreign-born had never taken any steps toward becoming citizens of the United States. The foreign-stock population of this country in 1930 was 40,286,278, more than one-third of our total population. This was the largest number in the history of the Nation.

It is estimated that our country has been supporting at least 3,000,000 foreign nationals on relief at a cost of approximately \$400,000,000, and this at a time when millions of our native-born and naturalized American are dependent upon relief. At least one out of every eight on relief is an alien. It is further estimated that we have had some 2,000,000 aliens gainfully employed earning approximately \$2,000,000,000 annually and sending millions of dollars to other countries to support families and unemployed when we have more than 10,000,000 American citizens unemployed. In the light of the foregoing it is amazing to note that the

In the light of the foregoing it is amazing to note that the so-called Kerr bill, H. R. 8163, was introduced at the first session of the Seventy-fourth Congress. This bill embodies the basic defects the Seventy-fourth Congress. This bill embodies the basic defects found in H. R. 6795 and both are merely new versions of H. R. 9725, which was defeated by an overwhelming vote of more than 2 to 1 in the second session of the Seventy-third Congress. The basic defects referred to are the abandonment of congressional control over the deportation of undesirable aliens; conferring practically unlimited discretionary powers upon an "interdepartmental committee"; legalizing illegal entrants; and breaking down our present

numerical quota restrictions.

This bill has been heralded and publicized as a bill to deport criminal aliens and as a restrictive measure. In fact, it would repeal criminal aliens and as a restrictive measure. In fact, it would repeal or nullify practically every existing mandatory deportation provision of our immigration acts by substituting therefor discretionary deportation. The admitted chief purpose of this bill is to permit to remain in the United States aliens illegally and unlawfully here or aliens who have breached a condition precedent and promise prior to temporary admission. The so-called hardship cases which this bill proposes to care for would condone violation of the law and reward a violator of the law by conferring upon him the right of American citizenship. It has been called a bill of major and minor discretions. Your attention is invited to the fact that each and every discretion or provision in this bill is favorable to the alien and the foreign-born. This bill boldly and audaciously raises

the issue of whether one is for or against America and Americans and law-abiding and law-enforcing aliens legally and lawfully in our country.

Americans, native-born or naturalized, are entitled to first consideration, and first things should come first. I am unalterably opposed to a bill which would place discretionary powers in the hands of an executive or administrator who has knowingly and willfully violated his oath of office by failing and refusing to carry out the mandate of the law which he has sworn to uphold, administer, and defend. And who characterizes the laws he is sworn to administer as "inhuman, cruel, barbarous", and "unworthy of our civilization." We want law enforcement, not administrative nullification. nullification.

This bill must be defeated if it ever comes before the House for final action. It is necessary that the searchlight of publicity and truth be turned upon this proposed measure in order that our truth be turned upon this proposed measure in order that our people may know the facts and not be misled by the propaganda of its proponents. This bill would decrease deportations and increase immigration and would substitute indefinite personal administration and personal government for traditional definite administration by written law, definite practices, and fixed precedents.

What America needs and what America must have is further restrictions and limitations upon existing quotas; the establishment of definite numerical quotas for the countries in the Western Hemisphere: a strengthening of our present deportation laws which

ment of definite numerical quotas for the countries in the Western Hemisphere; a strengthening of our present deportation laws which would make mandatory the deportation of any alien who is guilty of one or more crimes involving moral turpitude or who has become a habitual criminal; and finally an alien registration law which will require the fingerprinting and proper identification and keeping a permanent record of every alien who enters this country. We should reduce existing quotas by one-half in order to give time for naturalization and assimilation of our huge foreign-born and foreign-stock population. Establishment of definite numerical quotas from Western Hemisphere countries is essential in order to reduce and control quotas.

quotas from Western Hemisphere countries is essential in order to reduce and control quotas.

We must send from our shores every habitual alien criminal, every alien addict or peddler of narcotics, or aliens who have committed a crime involving moral turpitude. Every alien entering this country should be required to establish positive means of identification. This can be done by registration, fingerprinting, and keeping a permanent record of all entrants. We require fingerprints and positive methods of identification of some of our officials. No alien can complain of a genuine registration law beofficials. No alien can complain of a genuine registration law, because it will protect aliens who come under existing quotas or who are legal entrants. Only the alien Communist, the alien criminal element, and the alien unlawfully here will object to an alien registration act.

It is essential that no foreign-born national shall remain in this country who cannot become a citizen, nor should we permit immigration of nonassimilable racial or political groups. America is no longer a wilderness to explore and conquer. It is no longer a country without an established form of government and institutions for the promotion of human welfare.

A sound national defense provides for domestic tranquillity and a guaranty against insurrection. The only permanent guaranty is the maintenance of our social, religious, and economic standards and our Americai ideals of government.

We must protect the American workingman against unfair foreign competition. It is as essential to enact and enforce laws which will protect the wage scale and living conditions of the American workingman against unfair foreign competition as it is to maintain laws which will protect our industrial and manufactor maintain laws which will protect our industrial and manufactor. to maintain laws which will protect our industrial and manufac-turing establishments from unfair foreign competition. We must maintain and improve our present living conditions, but more important than the social and economic phases of our national life is the absolute necessity of protecting with treasure and blood our public school system, freedom of speech and press, freedom of conscience and the preservation of our democratic form of govern-

Finally, we must have an immigration policy which shall be the rinally, we must have an immigration policy which shall be the product of American minds and American hearts. A policy which shall be determined by Americans for Americans, a policy which will place the welfare of America before the welfare of the alien. And, what is of supreme importance, this policy must be administered and enforced by Americans who respect the law, and who will at all times enforce the law for the benefit of America.

CONTROL OF CROPS BY STATE COMPACTS

Mr. KERR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article by John W. Hester on the control of crops by State compacts.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. KERR. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following article by John W. Hester, which was published in the Star-News, of Wilmington, N. C., on January 26:

[From the Wilmington (N. C.) Star-News of Jan. 26, 1936] STATE COMPACTS

To the Editor of the Star-News:
All able lawyers know, and the candid ones, if asked, assert that
the objectives of agricultural production control may be obtained

only by the exercise of the police powers of the States, or by an amendment to the Constitution giving the Federal Government such power. The administration's proposal to reach the objectives of the invalidated A. A. A. by amendments to the soil-erosion statute may serve to bridge this campaign and hold the farmer vote, but it is as vulnerable as was the original A. A. A. and will meet a similar fate when it reaches the Court, which could hardly be done before the next election. But the agricultural problem must be treated by a long-time, permanent program. An amendment to the Constitution giving the Federal Government police power is well nigh impossible, as 13 States may block such a movement. So that leaves only the police power of the States to rely upon.

Now, I have stated that the tobacco situation may be worked out by the use of the compact provision of the Constitution whereby the States in which tobacco is grown may adopt identical laws respecting the control of its production. This compact provision of the Constitution is now being used to considerable extent. The Port Authority of New York, whereby the rights of New York and New Jersey to the port facilities of that great harbor are governed; the fishing rights of Washington and Oregon in the Columbia River; the water rights of the Colorado River resulting from the Boulder Dam, in which seven States are interested; and the production of oil under the quota system among the oil-producing States are recompleted of whet is now being seconnilished under the State come

Dam, in which seven states are interested; and the production of oil under the quota system among the oil-producing States are examples of what is now being accomplished under the State compact provision of the Constitution.

But the usefulness and effectiveness of this provision may be increased. And so far as I know I am the first to advance the idea that the States may designate the Federal Government or any idea that the States may designate the Federal Government or any Federal department the enforcement agency, thereby assuring uniformity of enforcement of the compact provisions. The Congress passed an act forbidding the shipment in interstate commerce of oil in excess of the quotas provided under the State compacts in an effort to make effective the quota system. But think of what might have been the effect if the Federal Government had been empowered to enforce such quota enactments. Its effectiveness would have been well-nigh complete.

As to what may be done in this connection, the court has had the following to say, which supports my contention that the Federal Government may be made the enforcement agency of such compact regulatory State laws:

regulatory State laws:
That States may enter into agreements and compacts is "a doctrine universally recognized in the law and practice of nations. It is a right equally belonging to the States of the Union, unless doctrine universally recognized in the law and practice of nations. It is a right equally belonging to the States of the Union, unless it has been surrendered under the Constitution of the United States. So far from there being any pretense of such a general surrender of the right, that it is expressly recognized by the Constitution and guarded in its exercise by a single limitation requiring the consent of Congress. The Constitution declares 'no State shall, without the consent of Congress, enter into any agreement or compact with another State', thus plainly admitting that with such consent it might be done; and in the present instance that consent has been given. The compact, then, has full validity, and the terms and conditions of it must be equally obligatory upon the citizens of both States'' (Poole v. Fleeger, 11 Pet. 209).

"If Congress consented, then the States were in this respect restored to their original inherent sovereignty, being the sole limitation imposed by the Constitution, when given, left the States as they were before, as held by the Court in Poole v. Fleeger (11 Pet. 209)' (Rhode Island v. Massachusetts, 12 Pet. at p. 724).

"The terms 'agreement' or 'compact' taken by themselves are sufficiently comprehensive to embrace all forms of stipulations, written or verbal, and relating to all kinds of subjects'' (State of Virginia v. State of Tennessee, 148 U. S. at p. 518).

Frankly, I can't escape the conclusion that a complete sovereignty may select its own agencies and instrumentalities to execute its

rrankly, I can't escape the conclusion that a complete sovereignty may select its own agencies and instrumentalities to execute its agreements or enforce its laws. With congressional approval, the States are "restored to their original, inherent sovereignty", which means complete sovereignty. I assume that Congress would assent to the use of the Department of Agriculture as the enforcement agency, leaving merely the general mechanics of the plan to be worked out.

JOHN W. HESTER.

WASHINGTON, D. C., January 23, 1936.

FEDERAL COMMUNICATIONS COMMISSION

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a brief letter received from the Chairman of the Federal Communications Commission.

The SPEAKER. Is there objection?

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, in my remarks on the independent offices appropriation bill on January 16, in endorsing a thoroughgoing investigation of the entire field of work of the Federal Communications Commission, I included a letter addressed to the Chairman of that Commission dated January 4 and the reply of the Chairman dated January 13, 1935. A statement made in the paragraph numbered 1 in the letter of the Chairman was challenged on the floor by my colleague the gentleman from Massachusetts [Mr. CONNERY]. The statement challenged proved to be erroneous, as appears from the following letter subsequently received from the Chairman of the Commission:

FEDERAL COMMUNICATIONS COMMISSION. Washington, D. C.

Hon. Richard B. Wigglesworth,

House of Representatives, Washington, D. C.

My Dear Congressman: With further reference to my letter of January 7, 1936, replying to your letter of January 4, 1936, I would like to say that there are three, instead of five, clear-channel, high-power radio stations, independent of and not affiliated with any of the three major networks, as I previously informed you.

Ordinarily licensees are required to make application for renewal of license every 6 months, and to state therein whether or not they have chain affiliations. Where, however, applications for renewal of station licenses are set for hearing, no additional application for renewal is required until the Commission disposes of the application pending.

The last renewal applications of stations WWL and KWKH—two of the five stations included in my previous letter—were set for hearing. These applications show said stations to be independent of and not affiliated with any network. The fact that stations WWL and KWKH acquired chain affiliations after their renewal applications were set for hearing accounts for this information not being reflected in the existing records of the Commission.

I have taken eccesion to sheek with the sheirs for the suppose.

I have taken occasion to check with the chains for the purpose f verifying our records in this matter.

Assuring you that it is the Commission's desire to furnish you with accurate information at all times, I am,

Very sincerely yours,

ANNING S. PRALL. Chairman.

CONSERVING OUR WILDLIFE RESOURCES

Mr. BANKHEAD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a brief address by the gentleman from Virginia [Mr. ROBERTSON] on January 24 on the conservation of wildlife.

The SPEAKER. Is there objection?

There was no objection.

Mr. BANKHEAD. Mr. Speaker, under leave to extend my remarks in the RECORD. I include the following radio address delivered by Representative A. WILLIS ROBERTSON on January 24, 1936, over the National Broadcasting System:

The call of President Roosevelt for a North American wildlife conference to meet in Washington on February 3 has focused the attention of all sportsmen and conservationists of the North Ameriattention of all sportsmen and conservations of the North American Continent upon the important subject of conserving our wildlife resources. The conservation of our forests, the purification of our streams and coastal waters, the restoration of our onceabundant supply of native fauna is, of necessity, an integral part of a general program to improve the living conditions of the average man in the United States.

While Federal, State, and private agencies have been engaged for many years in the cause of conservation, those best informed on the subject feel that the forces of destruction have been stronger than those of construction—or in other words, that we have been waging those of construction—or in other words, that we have been waging a losing battle. Millions of acres of timberland have been destroyed annually by fire—in 1 year of the drought, for instance, the destruction equaled an area 10 miles wide and as long as from Detroit to New York. Millions of acres of fertile soil have been washed into the rivers and thence into the sea. Some years ago a Member of the House from Massachusetts twitted the late Champ Clark about the superior wealth of Massachusetts. Mr. Clark replied that each year more fertile soil from Missouri washed into the Mississippi River than there was in the entire State of Massachusetts. Many a truth is spoken in jest. All of the fertile topsoil of 50,000,000 acres has been washed into our streams, and enough of the topsoil of an additional 50,000,000 acres has been lost through erosion to make them unprofitable for agriculture. Approximately 85 percent of our inland streams have become polluted, doing incalculable damage to aquatic life and recreational uses. It costs millions each year to purify polluted water sufficiently to make it safe tions each year to purify polluted water sufficiently to make it safe to drink. Added to these destructive forces was the destruction occasioned by a tremendous increase in hunting and fishing. In recent years we have been sending some 6,000,000 to 7,000,000 hunters into the field each season, equipped with modern arms and ammunition and means of rapid transportation. There are no longer any inaccessible regions.

It is no wonder, therefore, that the chairman of the President's Special Committee on Wildlife, Hon. Thomas H. Beck, of New York, stated in his report to the President that we had been making a disordered progress toward an undefined goal; or that another great conservationist, ex-Senator Harry B. Hawes, should question in his interesting book, Fish and Game, Now or Never, whether or

In his interesting book, Fish and Game, Now or Never, whether or not we had made any progress at all.

With a view to bringing about an ordered progress toward a well-defined goal, Senator F. C. Walcott, of Connecticut, sponsored the creation of a special Senate committee to consider the conservation of our wildlife resources. That committee was created in the Senate on April 17, 1930. The present members of that committee are Pittman, of Nevada; McNary, of Oregon; Norbeck, of South Dakota; Clark, of Missouri; Bailey, of North Carolina; Byrd, of Virginia; and White, of Maine. A similar committee was created in the House on January 29, 1934. The present members of the House committee in addition to myself are Jones, of Texas; Bland, of Virginia; McReynolds, of Tennessee; Warren, of North Carolina; Buck, of California; Berlin, of Pennsylvania; Parsons, of Illinois;

HILDEBRANDT, of South Dakota; RICHARDS, of South Carolina; CARTER, of California; MILLARD, of New York: Bolton, of Ohio; ANDRESEN, of Minnesota; and Allen, of Illinois. Every major region of the United States has representation on these two committees. During the spring and summer of 1934 the House committee constructions of all the consequents of the consequents. ducted hearings touching on the conservation activities of all Federal agencies. These hearings were printed and have been given a wide distribution throughout the country. In January 1935 the House committee submitted a report summarizing its investigations and recommending a program of action.

Those of us interested in, and to some extent responsible for, what the Federal Government does to advance the cause of conwhat the Federal Government does to advance the cause of conservation have been gratified at the progress made by Federal agencies during the past 2 years. Time will not permit me to mention in detail the rapid advances made by the regular Federal agencies, namely, the Biological Survey, the Bureau of Fisheries, the Forest Service, and the National Park Service. Their activities are covered by their annual reports. The report of the Beck committee and the report of the special House committee called attention to the fact that the Federal Reclamation Service in its drainger and irrigation projects was working at cross purposes with the age and irrigation projects was working at cross purposes with the Biological Survey—one draining and the other endeavoring to Biological Survey—one draining and the other endeavoring to preserve water areas for the breeding of migratory waterfowl. About 100,000,000 acres of breeding areas have been drained by public and private agencies. On December 19, 1935, a memorandum of agreement was entered into between the Secretary of the Interior and the Secretary of Agriculture respecting the administration of reclamation projects which are also wildlife reservations and refuges. From now on the activities of these important agencies will be coordinated and due regard will be had for the needs of wildlife in all future reclamation projects.

The activities of several of the new agencies are not generally

known, and their accomplishments should interest every conservationist in the country. One of the most popular actions of President Roosevelt was the establishment of the C. C. C. camps. Those camps have given clean and wholesome employment to approximately 1,500,000 men. The men so employed have been helped in mately 1,500,000 men. The men so employed have been helped in health and morale, and their dependents have been helped by monthly remittances which they could accept without the loss of self-respect. These C. C. C. boys have devoted 1,223,000 man-days to fire-presuppression work and 2,244,000 man-days in fighting forest fires. They have constructed 2,428 lookout towers, opened 44,040 miles of firebreaks, and have planted 405,402,500 forest trees over denuded areas. They have constructed 62,593 miles of new service roads and truck trails and 30,121 miles of new telephone lines through the national forests and national parks, their fire-fighting activities, the assessed value of the completed as of September 30 last was \$579,000,000. Aside from the C. C. C. work

completed as of September 30 last was \$579,000,000.

When the emergency conservation work was started emphasis was placed upon forestry. At the instance of the House Special Committee on Wildlife Conservation, ably aided and abetted by that great conservation leader, Jay N. Darling, of Iowa, then Chief of the Biological Survey, the emergency conservation work included in its program modern fish and game management. In its silviculture work food-bearing trees and plants were spared. Check dams to the number of 1,635,000 were built to control soil erosion and improve cover conditions. Lake and stream improvement, construction of ponds for fish and birds, and the restocking of streams with fish were included in the fish-protection program of streams with fish were included in the fish-protection program of the C. C. C. One hundred and sixteen thousand acres of lakes and ponds have been improved for fishing, more than 33,000 miles of streams have been improved by shelters, deflectors, log dams, etc., and 3,335 ponds have been built. The C. C. boys have disetc., and 3,335 ponds have been built. The C. C. boys have distributed 42,374,000 fry and fingerlings to ponds and streams. Twenty-six of the C. C. C. camps have been located on migratory-

bird refuges administered by the Biological Survey.

Man has but three primary needs—food, shelter, and clothing.

Those are the primary needs of wild life. Nature undisturbed by man will provide for Nature's children their essential needs. Through cutting and plowing, forest fires, overgrazing, erosion, and stream pollution, man destroyed much of the food and shelter for wildlife that has been provided by nature. The C. C. C. boys have been endeavoring to repair some of that damage.

In that undertaking, they have been ably assisted by the Soil Conservation Service, which in 1935 was made a permanent Bureau of the Department of Agriculture. This Service is now engaged in 140 separate projects in 41 different States, affecting a total of 50,000,000 acres. Five hundred and one C. C. C. camps and more than 27,000 relief workers supply the labor. than 27,000 relief workers supply the labor. Among the farmers with whom I have made personal contact, no activity of the Federal Government has been given a more favorable reception. In my opinion, the C. C. c. camps to work in our forest areas and to carry on this soil conservation program on private farms should and will become a permanent undertaking of the Government. Every farmer who signs a cooperative agreement with the Soil Conservation Service for the checking of erosion on his land agrees with the Government to avoid farming operations as far as practicable that would be detrimental to desirable forms of wildlife; to improve conditions for wildlife as a whole with due regard for its several values, biological and social, and to produce an annual replacement increment of game, fur bearers, and game fish, as a means of providing supplemental compensation to the farmer for land retired from cultivation through the operation of the soil-conservation program.

program.

The Soil Conservation Service, therefore, will render to the farmer a threefold benefit—first, it will protect his land from further erosion; second, it will restore land heretofore eroded; and, third, it will produce for the farmer a new source of income from the crop

of wildlife to be produced on the eroded land while it is being or widilie to be produced on the eroded land while it is being restored for agricultural purposes. When the farmer enters into a cooperative agreement of this kind, he will, in the words of the late Billy Sunday, be casting his bread upon the waters to be returned covered with butter and jam.

While in many respects we are the richest and most-favored nation in the world, the depression of the past 5 years has taught us that even we are not immune from hard times and actual suffering. I recently had the privilege of visiting some sections of China. Economic conditions in China are deplorable beyond words. The average annual income is less than \$9. The once rich timber resources of the nation are gone. Unchecked soil erosion through the ages has so depleted the ability of China to produce through the ages has so depleted the ability of China to produce that one-half of the people of China go to bed hungry each night. The longest navigable river in China is the Yangtze. For years this river, which is navigable for about 1,500 miles, has brought to the sea the yellow topsoil of north China. This sea is appropriately called the Yellow Sea. For some 300 miles beyond the mouth of the Yangtze it is as turbid with the yellow soil of China se the Mississippi at its worst. Jones has been more provident mouth of the Yangtze it is as turbid with the yellow soil of China as the Mississippi at its worst. Japan has been more provident in her conservation program. The steep land, and most land in Japan is steep, is carefully terraced and protected against erosion. The limited timber resources of Japan have been carefully guarded. A Japanese cannot cut a tree on his own land without a Government permit, and before he can secure that permit he must plant three young trees and have them live. If we are to preserve the American standard of living and our position as the most-favored nation in the world we must properly conserve our natural

was, therefore, with that purpose in mind, as I indicated at the outset, that President Roosevelt recently issued his call for a North American wildlife conference to be held in Washington from February 3 to 7, inclusive. It will be the most important conference of the kind ever held in the United States. Already some 1,500 of the leading men of the Nation and from Canada and Mexico have indicated their intention to attend. The total enrollment of delegates will probably exceed 2,500. The conference has three major

(a) The organization of a permanent general federation of all agencies, societies, individuals, and clubs interested in the restora-tion and conservation of wildlife resources, with the avowed pur-pose of securing adequate recognition of the needs of wildlife

(b) The development of a North American program for the advancement of wildlife restoration and conservation.

(c) The presentation of such facts, discoveries, and information pertinent to wildlife as may contribute to the solution of our mu-

tual problems.

The delegates to this conference will have an opportunity to serve their day and generation well. In developing a coordinated serve their day and generation well. In developing a coordinated and comprehensive conservation program they can contribute not only to the material prosperity of the Nation but likewise to our opportunities for peace and happiness. Every man wants to be happy. The pursuit of happiness is named by Jefferson as one of three inalienable rights. In the boom days many sought happiness in the amassing of wealth and the possession of material things. Life was pitched at a high tempo. When the depression cut our national income we were not equipped to find peace and happiness in simple things. Some ended their unhappiness by happiness in simple things. Some ended their unhappiness by committing suicide. Far more died of heart failure brought on by committing suicide. Far more died of heart failure brought on by worry and nerve strain. They were out of touch with the calm and orderly processes of nature. They did not know that "for our gayer hours she has a voice of gladness and eloquence of beauty and she glides into our darker musing; with a mild and healing sympathy that steals away their sharpness, ere we are aware."

Overwrought nerves are not conducive to clear thinking and overwrought nerves are not conductive to clear thinking and sound judgment. There are many problems today that parallel those of a hundred years ago. The country then was recovering from the depression brought on by the Napoleonic wars. Adams sponsored a public-works program to stimulate recovery. This was opposed by Andrew Jackson, who advocated lower taxation and the payment of the public debt. Hayne advocated tariff rediction to believe the country of the public debt. Hayne advocated protection for payment of the public deet. Hayne advocated tarin reduction to help southern agriculture, and Webster advocated protection for northern industry. The men of that period took time to think their problems through. When the strain would get too heavy for Mr. Webster he went trout fishing. I never go from the House side of the Capitol to the other without pausing for a moment of inspiration before the striking statue of Webster. His old fishing guide tells us that once in the middle of a fine trout stream Webster suddenly stopped and advancing his right foot exclaimed: ster suddenly stopped and advancing his right foot exclaimed: "Venerable men, you have come down to us from a former generation." That was the keynote of his Bunker Hill speech. And the old guide added: "Mr. Webster used to do some mighty tall talking to them fish."

And when we adults go to the out-of-doors to find the clearer thinking of peace and calmness, let us take our sons with us. It is a reproach to our social system that 75 percent of the inmates of our penitentiaries are under 24 years of age. Judge Claude Grayson, of Alabama, says: "Teach the boy to hunt and fish and he will be on the jury and not before it."

We have the netural resources if we will conserve and properly

he will be on the jury and not before it."

We have the natural resources if we will conserve and properly use them. One day last spring I sat at luncheon beside Prof. Julian Huxley, grandson of the great scientist, and now curator of the London Zoological Garden, who told me that the natural resources of the United States and the opportunities of the general public to enjoy them were quite astounding. He then proceeded to tell me of his interest in a bill that had been pending

before the British Parliament for some years, known as "the right of mountain view." That is a measure being sponsored primarily by the working people of the industrial city of Manchester to permit them to visit a mountain range about 25 miles away and enjoy the scenery. They don't ask the right to hunt, to fish, to break shrubs, and to pull up flowers by the roots but merely to walk in the mountains to fill their lungs with pure ozone, to get away from the noise and dust of a city, and enjoy the peace and quiet of a mountain top, all of which is now denied them by British trespass laws. trespass laws.

And as Professor Huxley was telling me of that condition in Eng-And as Professor Huxley was telling me of that condition in England, I thought of our twenty-odd great national parks, all open to the public, of our 165,000,000 acres of national forests where the public cannot only enjoy the right of mountain view but the right of hunting and fishing on a parity with any king or noble; and I also thought of the 170,000,000 additional acres of the public domain likewise open to the public without restrictions and on which the public can even graze great herds.

Let us revise our conception of the more abundant life. It is not determined by stock-exchange quotations or commodity indexes, but rather by our opportunities for the pursuit of happiness. Those opportunities lie at hand if we will only embrace them.

INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 10630) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes, and pending that, I ask unanimous consent that general debate be concluded today.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The motion of Mr. Taylor of Colorado was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. DOUGHTON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill of which the Clerk will report the title.

The Clerk read the title.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. Faddis].

Mr. FADDIS. Mr. Chairman, in answer to the remarks made by the gentleman from New York [Mr. SNELL], regarding recent occurrences at the Eleventh Women's Patriotic Conference on National Defense now being held at the Mayflower Hotel, I wish to present the Members of the House with some of the true facts regarding the incident which has led up to the occurrence to which the gentleman from New York has objected.

This convention is composed of delegates from various patriotic organizations in the United States. Women came here as delegates from various patriotic organizations to attend the meeting for national defense.

Upon the opening night, last Monday, while the national commander of the American Legion, Ray Murphy, was addressing these members on the subject of national defense, a subject which was absolutely germane to the purposes of the convention, what was the astonishment of the entire audience to hear the chairman of that convention break into the midst of the address of Commander Murphy, and what was his astonishment and embarrassment at her abrupt closing of his speech in order that they might give the radio to be used for a political speech by Bainbridge Colby, the like of which I have never before listened to.

The matter of national defense of this Nation is something which we hold and hope we will always hold to be absolutely nonpartisan. If we are to have a national defense, it must be based upon the basic principles of national defense, and the first and foremost of those principles is that the Commander in Chief shall receive, at least while acting in that capacity, all of the respect due him. Under our present system of national defense the President of the United States, who happens at this time to be Franklin D. Roosevelt, is the Commander in Chief of the Army and Navy of the United States, and certainly no man or no woman would pretend to concede that it is at all proper to inject into a national defense conference such a controversial address as was made by the Honorable Bainbridge Colby, which consisted of excoriation and abuse of the Commander in Chief.

Mr. LUCAS. Mr. Chairman, will the gentleman yield? Mr. FADDIS. Yes.

Mr. LUCAS. Does the gentleman know that the bylaws of these various patriotic societies specifically state that they are nonpolitical?

Mr. FADDIS. Exactly; and they should have been en-

Mr. LUCAS. And does the gentleman further know that Mr. Colby agreed in advance before he made this speech that it would not be a political speech?

Mr. FADDIS. I do not know that, but after listening to Mr. Colby that night I would not doubt that he would give his word to anything of that kind in order to get the opportunity to deliver such an address.

Mr. LUCAS. And does the gentleman further know that scores of both Democrats and Republicans walked out of that meeting because he was making a political speech, in violation of his word and in violation of the rules and bylaws of the society?

Mr. FADDIS. I do know that scores of them walked out, because I was present myself at the meeting.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. FADDIS. Yes.

Mr. RICH. I understand that Mr. Colby is a Democrat. Mr. FADDIS. I have never so understood. By birth. breeding, and education, and every other consideration, Mr. Colby is a member of the Liberty League and inherited that position. He is not a man who had to be moved uptown and educated in order to be allowed to associate with the Du Ponts, attend their parties, and address them at their

Mr. RICH. Mr. Chairman, will the gentleman yield further?

Mr. FADDIS. No.

dinners.

Mr. O'CONNOR. Mr. Chairman, will the gentleman

Mr. FADDIS.

Mr. O'CONNOR. Of course, constant repetition of a thing does not prove it. I never knew any activity that Bainbridge Colby ever engaged in in any regular, real Democratic movement in the United States. The only claim to being a Democrat that he has is that he served under a Democratic President, but no one ever saw him active in any Democratic organization or any Democratic council.

Mr. FADDIS. I believe the gentleman is right, and I would like to further state that having been intensely interested in the matter of national defense for a great many years, I have never known of any of his activities in connection with national defense and I wonder just how and why he was included among the list of speakers at this convention.

Mr. HAMLIN. Mr. Chairman, will the gentleman yield?

Mr. FADDIS. Yes. Mr. HAMLIN. Perhaps the gentleman does not realize that a year ago last fall Mr. Bainbridge Colby came into the State of Maine and campaigned against us Democrats there with just about such political speeches as he made the other night.

Mr. FADDIS. Well, he was campaigning against every Democrat in Congress down here the other night at this function. That was his reason for being there.

Mr. WADSWORTH. Mr. Chairman, will the gentleman vield?

Mr. FADDIS. Yes.

Mr. WADSWORTH. In asking this question I am not endeavoring to throw in a discordant note, but coming down to a common-sense view of the incident, let us assume, from the standpoint of the gentleman who now has the floor and from the standpoint of others, that Mr. Colby made an offensive political address. Even so, does the gentleman believe that those good women should have been humiliated by a public rebuke of that kind?

Mr. FADDIS. They certainly should have been, because it was entirely in discord-since the gentleman mentions notes-with any of the purposes of the convention. Those ladies had asked people there to listen to a man get up on the

platform and revile and abuse the President of the United | States or Members of Congress. Some of them, at least, must have been in on the secret of the reason for his appearance. That is proven by the length to which the chairman went to break in on the commander's speech to get Mr. Colby on the air. They had assembled there to take into consideration some of the problems in connection with the defense of this Nation. They had not assembled there for political purposes and the rules and bylaws of their convention forbid anything of that kind being injected into it. Not only do the rules and bylaws of their convention forbid anything of that kind but the rules of good usage and gentlemanly conduct all over the world forbid such a thing.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. FADDIS. Yes.

Mr. FITZPATRICK. After Mr. Colby started to make his political speech, did the ladies attempt to stop it?

Mr. FADDIS. No. That is a course of action which I am sorry to say was not carried out. They accorded him a great deal more courtesy than he accorded them.

Mr. FITZPATRICK. If they were a nonpartisan organization they should not have permitted a speech of that kind.

Mr. FADDIS. That is true; and if it had been an organization of men, no doubt someone would have raised the point of order against the speech.

Mr. CULKIN. And will the eloquent gentleman please distinguish between the President of the United States spending 4 weeks on the \$4,000,000 palatial yacht of Vincent Astor and Al Smith spending an hour in addressing the Liberty League, including the Du Ponts? Will the gentleman distinguish between the two?

Mr. FADDIS. I thank the gentleman for referring to me

as eloquent.

Mr. CULKIN. The gentleman is eloquent.
Mr. FADDIS. But I think the question the gentleman is asking is not germane to the discussion and is not relevant. [Laughter.]

Now, Mr. Chairman, whatever may or may not be the result of this occurrence. I would just like to call attention to the fact that there is an entirely different gathering in Washington today-a gathering of men who were not invited to the Du Pont's party; a gathering of men who would not have been even allowed to peek in the door at the floor show after the dinner was over. This is a gathering of men who have received more favorable consideration from the program to which the Bourbons of the United States object than they ever received before from any preceding administration. I refer to the United Mine Workers of America. They have gone on record as endorsing the New Deal. They are men who are receiving the benefit of just exactly what Hon. Bainbridge Colby is objecting to, and they appreciate it. [Applause.]

The CHAIRMAN. The time of the gentleman from Penn-

sylvania [Mr. Faddis] has expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. Luplow].

Mr. LUDLOW. Mr. Chairman, there are times when the tongue cannot speak the language of the heart, and that is the fix I am in today when I rise to pay my feeble but sincere tribute to a comrade of the fourth estate whom we laid to rest at Arlington Cemetery today. My faltering tongue cannot begin to describe the grief that presses and strains this day against the hearts of all who were privileged to know Carl D. Ruth, late correspondent of the Toledo Blade and other newspapers, whose earthly career ended with shocking suddenness last Saturday.

He was a prince among men. As fellow newspaper correspondents we had offices together for years, our association terminating when I entered Congress, and as I think of him from this intimate retrospect, he exemplified to my mind all that is meant by the meaningful term "good citizen." In his newspaper work he was the soul of rectitude and honor. As a fellow being he was indescribably kind and sympathetic

When I was president of the National Press Club I appointed him chairman of our fellowship committee, and he held that position so long it seemed to become his vested interest in our splendid institution of newspapermen. That is the committee that alleviates distress among our fellows, extends the balm of consolation to the grief-stricken, and in various other ways, to meet varying situations, applies the helping hand. In that position Carl Ruth served so devotedly, with such unremitting zeal, and with such effectiveness that he enshrined himself in the innermost affections of the members of our club and their families. It was just the role he wanted and he filled it to perfection. More capable, perhaps, than any of us to shine in positions of high distinction, it was characteristic of him that he shunned the limelight and sought the humbler field of service, where heart meets heart in sympathy and helpfulness. He was always happiest when following in the footsteps of that greater Man-the Man of Nazareth-who said:

For I was an hungered, and ye gave me meat; I was thirsty and

ye gave me drink; I was a stranger and ye took me in;
Naked, and ye clothed me; I was sick and ye visited me; I was in

prison and ye came unto me.

Verily, I say unto you, inasmuch as ye have done it unto one of the least of these, my brethren, ye have done it unto me.

News of the death of Carl Ruth, who was not thought to be seriously ill, shot like a thunderbolt through the hearts of thousands like myself whom he had befriended and it has left us staggering under an oppressive sense of loss. He was an ornament to his profession and a credit to American citizenship, but, more than that, he was a lover of his fellow

The affection of his many friends was reflected by the great profusion of floral offerings that filled the Church of the Covenant at his funeral today, but if every person, living and dead, for whom Carl Ruth did some good deed could have given the visual expression of sorrow in the manner that best interprets the feelings of the heart, no building in Wash-

ington would have held the flowers.

We will never know or understand why he was snatched away from us almost in the twinkling of an eye, but we thank God, who does all things well, that he was permitted to live among us even for so long a time, for it has been so good to know and love him. Snow blanketed the earth when we buried him today in the beautiful city of the dead across the Potomac, and perchance many other snows will come and go before we join our friend in the bourne from which no traveler returns, but we shall not forget him, and we can only say with aching hearts:

'Good-bye, old friend! We will be looking for you when we cross the borders of the blessed summer land. Until

then, good-bye, and God bless and keep you!" Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. LUDLOW. I yield.

Mr. JENKINS of Ohio. I just want to thank the gentleman for his thoughtfulness in paying this beautiful tribute to a wonderful man.

Mr. LUDLOW. I thank the gentleman.

Mr. LAMBERTSON. Mr. Chairman, I yield 8 minutes to the gentleman from New York [Mr. MILLARD].

Mr. MILLARD. Mr. Chairman, the Committee so far this morning has been rather tempestuous, except for the beautiful tribute by the gentleman from Indiana [Mr. Luplow].

I arise today to attempt a task that at once fills me with peculiar gratification, and I must admit a little trepidation, too, for it involves a criticism on myself and my countrymen. A sin of omission in our due and proper regard for a great man and a great institution. That institution, thanks to its scholarly traditions, has in this tense moment in the history of our Nation once again proved itself the shield and buckler against the forces which, knowingly or unknowingly, have threatened to destroy the pattern, if not the very fabric, of our democratic Republic.

Needless to say, the institution to which I refer is the Supreme Court; the man, John Jay. John Jay, whose name is written close beside that of John Adams and Benjamin Franklin in tortuous history of that epochal assemblage that

was the Congress of 1775. A name, I cannot fail to add, while it is honored by all the Nation, very near and very dear to the citizens of my State of New York and the district which I represent and which was his home, Westchester County.

I want to relate a little incident, while though it is a rather pitiful commentary on America's forgetfulness, is not without

its touch of humor.

With other admiring visitors recently I walked through that impressive edifice of our high tribunal, wondering at the dignity and beauty which symbolizes the great Court which it houses. As we passed from one vista of beauty to another, the attendant, describing that magnificent frieze in the Court chamber, pointed to the stately figure of John Marshall. "There", he said, with a glib assurance that startled me, "is the first Chief Justice of the United States, John Marshall."

The young man politely doubted my challenge of his statement regarding the first Chief Justiceship, and, since one of the Justices of the present Court was passing, stopped him for confirmation. When he learned that I was right—that John Jay was the first Chief Justice—the young man was not at all embarrassed, and, in fact, informed me that he would continue to stick to his story that John Marshall was the first, because, he said, with a grin, "no one will know the difference."

In defense of this young man I think I should say that the mistake he made is not an unusual one, for many people believe John Marshall to have been the first Chief Justice.

The anecdote is significant, but of greater significance is this: Nowhere in that building is there a suitable memorial to Chief Justice John Jay; and I know you will agree that therein lies a sin of omission which should and must be corrected. I, therefore, have introduced today a bill authorizing the establishment of such a memorial.

We all know and appreciate the valuable services rendered by John Marshall, whose memorable opinions on constitutional questions lent stability to our Government; but in our respect and admiration for this great jurist we should not forget the man who went before him and laid the basis for the constitutional doctrines which Marshall so ably developed.

There is perhaps a reason for the failure to provide a fitting memorial to John Jay in the new building in that he is better known because of his services in other fields of public service, notably as the first Secretary of Foreign Affairs, and to an even greater extent because of his part in the negotiation of the first two treaties with Great Britain, the first of which terminated the Revolutionary War and the second restored commercial intercourse with that country.

As the first Chief Justice of the Supreme Court, however, John Jay laid the foundation for the national solidarity which was later assured by the decisions of John Marshall. Every boy who attends law school is familiar with the leading case of Chisholm against Georgia, in which for the first time the Supreme Court of the United States declared the supremacy of the Federal Government within its constitutional field, and the Hayburn case is almost equally well known as the first declaration of the Supreme Court's entire independence from both legislative and executive control or interference.

John Jay did not remain a sufficient length of time on the Supreme Court of the United States, however, to leave the same imprint in our legal precedents as was left by his illustrious successor, John Marshall. Jay organized the Court in February 1790, and to all intents and purposes left the Chief Justiceship in 1794 when called upon by President Washington to assume the important duty of negotiating a commercial treaty with Great Britain, although he did not actually resign as Chief Justice until 1795. In accepting the commission of President Washington to represent the United States in the negotiation of a commercial treaty with Great Britain, Jay took upon himself a task which he was well aware might seriously undermine his political popularity. When told of the likelihood of his selection for this post and when it was pointed out to him that the accept-

was the Congress of 1775. A name, I cannot fail to add, ance of this task would probably render him "unpopular while it is honored by all the Nation, very near and very and odious", he said:

The good of my country, I believe, demands the sacrifice, and I am ready to make it.

His own fears and the fears of his friends were not ill founded, and his connection with that treaty, although it is now historically conceded to have been a most statesmanlike accomplishment, brought him severe criticism and vituperation. Jay took these attacks with calmness. "Calumny," he said, "is seldom durable. It will in time yield to truth." History proves that he was right in this prophecy, but the part he played in the negotiation of the treaty nevertheless cost him a chance for the Presidency of the United States.

Jay was, it is true, elected Governor of New York in 1795, but he had the good fortune in this instance to be nominated and elected before the full details of the British treaty were published. The governorship was the termination of his political career, in spite of the splendid services rendered during his 4 years as chief magistrate of the

Empire State.

I shall not encumber this speech with many details of Jay's life and accomplishments, which are legion in many and varied fields of public service; but I should not close without some mention of the part he played in the events which led up to the Revolutionary War and in the great struggle for national independence. He served as a member of the New York committee on safety, was one of the principal authors of the New York State Constitution, served as a member of the Continental Congress, and in 1779 was president of that body. He was joined with Benjamin Franklin and John Adams to negotiate the peace treaty with Great Britain which officially brought the Revolutionary War to a successful conclusion in 1783.

Immediately after the signing of the peace treaty with Great Britain, Jay returned to the United States and was selected as Secretary for Foreign Affairs, in which post he served from 1784 to 1789. In addition to being the first Chief Justice of the United States, he also had the honor of being the first Secretary of State, because he continued to perform the duties of that office, then known as Secretary for Foreign Affairs, after Washington became President under the Constitution. He acted in that capacity until the return of Thomas Jefferson from France and his own appointment as the first Chief Justice of the Supreme Court.

With Madison and Hamilton he did much, through his contributions to the Federalist papers, to bring about the adoption of the Constitution, and for these services alone deserves the undying appreciation of the American people.

I hope that when the bill which I have introduced today comes up for action in the House you will give it your approval, that a wrong may be righted, that a great man be honored, whom in thus honoring we honor ourselves and the Nation as well. [Applause.]

The CHAIRMAN. The time of the gentleman from New

York [Mr. MILLARD] has expired.

Mr. LAMBERTSON. Mr. Chairman, I yield 12 minutes to

the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, I wish to say to the membership at this time that I assume all the Members try to represent the constituency which sent them here. If in my opinion the Members are reactionaries, it is only because of the complexion of the constituency that put them in the Congress. I have no fault to find with the Members personally, but I am sure what I have to say on this occasion will be about as welcome to both sides of this aisle as a weasel in a rabbit's nest.

CLASS AGAINST CLASS

One of the main points of criticism which is now being hurled at the Roosevelt administration is that it has raised bitter feelings between classes. One cannot get the full meaning of this without stopping to catalog those who make the charge. To what class do they belong? For years and years we have heard the same philosophy announced.

Do not raise class against class. This cry has always been raised by the upper class—the money class. It has never

been raised by the common people.

As soon as the common people show a disposition to curb the power of the money barons, the cry immediately goes up that we are pitting class against class. The barons would have all of us sit with folded arms and with a forced photographer's smile, while the mortgagee and the creditor suck out our lifeblood through interest and foreclosures. If perchance we move around slightly to avoid the pain, or to prevent the baron from completing his nefarious job, we are condemned because we "raise class against class." No; that argument is threadbare, and the power it once had is rather harmless today.

If Roosevelt deserves severe criticism it is criticism for not doing enough to stop the mad desire of the money class for more interest, more foreclosures, more money, more dollars, with a high premium attached, more homeless people. Roosevelt has, in this respect, paid too much attention to the money barons, and not enough attention to the protection of homes that have been built during the last 75 years by a patriotic people.

THE FORCES OF REACTION

Unless the reactionary Republicans will keep out of making any overt attempt to direct the future of the Republican Party, and refrain from naming the candidate for the Presidency, the result of the next Presidential election will be another disastrous defeat for the Republicans. The mass of the Republican voters have no faith in the Mills, the Mitchells, the Mellons. When these elements directed the affairs of the party, and turned a deaf ear to all that was progressive, under the leadership of their errand boy Hoover, not only did the party meet with almost complete annihilation but the country itself was not 60 days away from an open revolution when the Republican defeat was registered. That is a matter of history now.

Now that the Democratic Party, through the leadership of Roosevelt, seems hell-bent on having its own way, regardless of the preelection agreement made with the people, the Republicans have come out of their hole and are looking around to see if there is not a chance for them to seize the reigns of government. They have this desire, of course, and in that they have a considerable body of voters ready to help them in the undertaking. As the chance for a victory looks brighter, the more reactionary the leaders of the Republican movement become. They are carried away with the illusion that anyone they pick can win. In Congress right now we hear speakers who have remained as silent as the Sphinx of Egypt for the past year rising in their places and speaking out in the defense of the international banker and special privilege. One member of the Republican Party made an effort to establish that the wealth of the Nation is not concentrated in the hands of the few but is apparently equally distributed among the common people of the country justly and evenly. He points to the value of farms, but fails to state that 2,000,000 of the owners in 1920 have been driven out of their homes; he fails to state that another 2,000,000 farm homes with 10,000,000 inhabitants are on the way to the auction block this very moment; he fails to tell us that the Republican Party under the present leadership is as immovable as the Democratic Party in their determined effort to deny the American farmers a just refinance system.

No; those Republicans who seek now to nose their way back into the good graces of the Republican voters do not realize that reaction has been repudiated by the people. No reactionary of either party has any chance whatever of ever again commanding the support of the rank and file of the American voters. These reactionary Republicans, if they know anything at all, and are interested in seeing the Republican Party returned to power, should be seen from now on and not heard. Their counsel has been disregarded; their advice and leadership very nearly led us into destruction. Their philosophy has been repudiated, and before the voters will return to that leadership they will support the present administration, even though they know it is the result, in operation at least, of the hairbrained theories of

professors with no practical knowledge or desire to meet the actual facts as they are.

In explanation of the statement I made that the wealth of this country is not equally distributed, at this point I desire to insert some tables to convince some of the Members of this Congress that the wealth of this Nation is not distributed equally among the common people of this country. I live in a State where there are 400,000 people living on farms, and I know the consequences of what I say in this Congress, but I will announce right now that if those 400,000 people living on farms in my State would pay what they owe on their land and their property, there would not be 10 percent of them who would own a dime. We do not have that wealth. Now let us find out where it is,

That is all I care to say about politics. I think the people of the country are more interested just now in what this Congress is going to do for their relief.

As we look around us today, the condition of the mass of the people is reflected in the following facts:

Twenty million on relief.

Twenty million on semi-Government and private relief.

Ten million people out of a job who can work and want to work.

Eight million aged people without property protection for old age.

Public and private debt of \$275,000,000,000.

Value of all property in the United States, at actual value, on forced sale of over one hundred and sixty billion.

Outstanding Government debt of thirty-five billion represented by interest-bearing, tax-free bonds with an annual interest charge of over \$1,000,000,000.

Thirty-four cents of every dollar spent in business going down the interest rat hole.

Two million farm homes with first mortgages so large that the Federal Land Bank System of the country has quit business and the farmer is left helpless.

The constitutional provision for the control of money abrogated and suspended by mere custom and the control of our cash and credit delivered over to the private banking interests of the country.

Ten billion dollars loaned to foreign countries during the World War, collected from the sale of Liberty bonds, all of which debt is due and payable, but which will not be paid and which we cannot collect if we wanted to.

The people of this country want, first of all, to see relief brought forward from these intolerable conditions—they want that more than they want our views on who is or is not right on the tariff question. They want these matters adjusted more than they want to know whether Al Smith should or should not have made his speech against the present administration.

What can we do in this Congress? There have been some very adverse decisions made by the Supreme Court in the past, but none of them have had as bad an influence on the loss of confidence in the Government by the people as what this House is now doing and has always done. Representative government has failed. We are responsible for it, Democrats and Republicans alike. From this responsibility will come the greatest issue before the American people. I refer to the rules of this House, which prevent the Members from voting on any matter unless the administration desires to permit a vote. Today the Democrats are directly responsible, for more than two-thirds of the time this rule has been in vogue in this body the Republicans have been responsible. Today every Member who refuses to take an active part in breaking up this gag rule is responsible.

Nothing will be done in this Congress, and every Member here knows it now, unless that thing done is presented by the administration and approved by the leaders. This gag rule will be maintained, and as long as it is maintained the American people are denied the privilege of having their measures debated in their own Congress. What could be worse to flaunt in the face of the people of this great country at a time when confidence in it by the people is more important than all other issues at stake? The Supreme Court does not interfere with our deliberations. Has the

executive branch of the Government any right under the Constitution to do it? Are the Members of this House free Members? Are you shackled to something invisible which we cannot see? I refer this responsibility to both sides, as I cannot, knowing the attitude of Republican Members on the gag rule and their refusal to break it, see any difference between the two parties; and I am confident that the mass of the voters in this country hold a similar view.

We are permitting injustices to pile up beyond comprehension merely because representative government has failed in this body. "The Hall of Congress, where the voice of all the people can be heard"-what a mockery! We have failed; we will continue to fail in bringing straight thinking out of chaos just as long as we will not permit representative government to function. Which party will break the shackles that hold the people out of their own Congress? Will either of the present parties take the side of the people? Will another party have to be built and entrusted with power before this simple right of the people can be restored? That party which will stand up and be counted, that party which will break down this one-man control of Congress will be the party to which I shall be willing to give whatever of influence and ability I possess. There is no issue now before the American people-there will be none in years to come-of more importance to liberty than the breaking of the gag rule in the greatest deliberative body in the world. [Applause.]

The CHAIRMAN. The time of the gentleman has expired. Mr. BURDICK. Mr. Chairman, in compliance with the permission received to extend my remarks made on the floor of the House, relating to the concentration of wealth in the hands of a relatively few people, I submit herewith certain data. While the tables which I submit do not embrace all I should like to know about the subject, yet, a general picture can be formed, based upon a sound foundation.

From the facts appearing, the conclusion is inevitable that the wealth of this Nation is not equally distributed, or fairly so, as some claim; but, on the contrary, that wealth is most unevenly and unfairly distributed, and I might also add that it is unjustly distributed. By this I mean that under any system of government it is unjust for a relatively few people to possess property vastly beyond their needs while the great mass of the citizens making up that government are living in destitution and want. As to the causes that have brought about this unequal distribution, I will not discuss here. My purpose is to supply facts, in connection with my speech, indicating that as a matter of fact the wealth of this country has been allowed to be concentrated in the hands of the few while the great mass of the American people have nothing.

The only Government attempt to get at the facts of the concentration of wealth was the report made by the Federal Trade Commission in 1926 in response to a resolution of the United States Senate, being Senate Resolution 451 of the Sixty-seventh Congress:

1922: Total wealth of the United States	\$353, 000, 000, 000 62, 000, 000, 000
1922: Total wealth is made up of— Real estate Tangible personal property	230, 000, 000, 000 123, 000, 000, 000

1922: Total wealth of the United States__ 353,000,000,000

Of the real estate \$42,000,000,000 was tax-exempt real estate, belonging to the United States Government, State, and local units of government.

Strictly land valueReal-estate improvements	\$122,000,000,000 108,000,000,000
Total real estate	230, 000, 000, 000

The total wealth in 1922 was distributed in the following enterprises: 18 percent agriculture wealth, 14 percent manufacturing and mining, 13 percent railroads and public utilities, 12 percent Federal, State, and local government, and 33 percent retail trade and unascertained business.

Between the years 1912 and 1922 the total wealth of the Nation increased—considering the drop in the purchasing power of a dollar—something approximating 20 percent.

Cross-section pictures of the concentration of wealth:

Out of some 43,000 estates probated in 24 counties of 13 States it was found that—

Thirteen percent owned 90 percent of the wealth of the estates probated.

The average estate was found to be \$3,800. On this basis 91 percent left estates less than the average; 9 percent left estates of more than the average.

One percent of the descendants owned 59 percent of the wealth.

CORPORATION CONTROL

For the period from 1912 to 1923, six companies controlled one-third of the water power, eight companies controlled three-fourths of the anthracite coal reserves, two companies controlled well over half of the iron ore reserves, four companies controlled nearly one-half of the copper reserves. Eighty thousand two hundred and thirty-four manufacturing corporations owned in wealth, \$33,700,000,000; 23,472 transportation and public utilities owned \$27,300,000,000.

SOURCE OF INCOME IN 1923

Manufacturing, \$24,100,000,000 or 34 percent; agriculture, \$9,400,000,000 or 13.5 percent; mercantile trade, \$8,600,000,000 or one-eighth of the total; personal service, \$6,300,000,000 or 9 percent; professions, \$5,200,000,000 or 7.5 percent; steam railroads, \$4,600,000,000 or 6.7 percent; mining, \$3,400,000,000 or 9 percent; construction, \$1,750,000,000 or 2.5 percent; commercial banking, \$1,400,000,000 or 2 percent; miscellaneous, \$5,200,000,000 or 7 percent; total, \$69,900,000,000.

DIVISION OF CAPITAL AND LABOR, 1923

Labor, 55 percent, or \$38,200,000,000; profits, rent, and interest, 45 percent, or \$29,130,000,000.

From 1918 to 1923 about the same ratio obtained.

War years—labor received 47 percent—capital, 53 percent. Out of 43,512 estates examined in various sections of the United States in town, city, and country:

Estates of \$50,000 or more constituted 78 percent of total wealth.

Estates under \$5,000 constituted 5 percent of total wealth. The greater concentration of wealth is in cities. Eight-tenths of 1 percent of the city estates represented 42.5 percent of the total value of all estates; 80 percent of all estates were under \$500; 1.1 percent of all estates were over \$50,000; 5,963 estates represented in value \$1,540,259,000; 43 estates represented in value, \$104,469,722,000.

Since exact figures are not available for definite proof of the concentration of wealth today, yet some data are available, and also some undeniable facts,

On Government relief, 1935, 23,000,000. This class had nothing or they would have received no relief. On private relief, and occasional work, 20,000,000; those living on past accumulation and from mortgaging clear property, 19,000,000. Total. 62,000,000.

First. The first and second class had nothing. The third class today, deducting mortgagors, have no property.

Second. The farming population have a large representation in all three classifications—especially in class 3.

The total wealth of the Nation today is much less than in 1923; in 1923 it was \$353,000,000,000; today it is approximately \$200,000,000,000; loss, \$153,000,000,000.

This loss fell the hardest on the farmers, as the following table shows:

Farm values

1919	\$79,000,000,000
1920	66, 316, 000, 000
1929	58, 000, 000, 000
1930	47, 880, 000, 000
1932	37, 027, 000, 000
1933	30, 151, 000, 000
1934	31, 655, 000, 000

It will be seen that the loss in land values to farmers was \$48,000,000,000, or approximately 32 percent of the total loss in the national wealth.

While land values shrunk in farm lands \$48,000,000,000, the farm total debt increased, as shown by the following

er produce and the state of the con-	Debt on lands	Other debts
1920	\$7, 857, 700, 000	\$3, 100, 000, 000
1925	9, 360, 620, 000	4, 305, 000, 000
1928	9, 500, 000, 000	4, 600, 000, 000
1932	8, 500, 000, 000	3, 910, 000, 000
1932	(?)	3, 500, 000, 000
1933	8, 200, 000, 000	4, 100, 000, 000

From 1920 to 1928 the amount of interest demanded of farmers increased.

Interest:			
1920	\$250,	000,	000
1925	568,	000,	000
1928	900,	000,	000

To further prove how hard the West North Central States have been affected by the general slump, I submit tables showing that these States in this group, including North Dakota, South Dakota, Minnesota, Iowa, Missouri, Nebraska, and Kansas, carried the burden of the farm debt.

New England	Percent
Middle Atlantic	EFERS DESCRIPTION
East North Central	20.4
West North Central	39.0
South Atlantic	5.5
West South Central	9.7
Mountain	5.9
Pacific	8.6

Every supporter of the theory that there is no concentration of wealth invariably shows what great wealth there is stowed away in farms. These tables should convince every theorist that if there is a just distribution of wealth in this country that it cannot be found among the farmers.

Corporation income-tax returns from 1924 to 1928 show: First. Those reporting incomes of \$100,000 to \$1,000,000: 7,945 in 1924, 9,747 in 1928.

Second. Those reporting incomes of \$1,000,000 to \$5,000,-000: 739 in 1924, 1,029 in 1928.

Third. Those reporting incomes of \$5,000,000 and over; 162 in 1924, 229 in 1928.

Ten percent of the people of the United States own 90 percent of the Nation's wealth. (Magazine of Wall Street, Jan. 6, 1934.)

Only 6 percent of the people of the United States paid income taxes for 1933. (Internal revenue reports.)

If only 6 percent of the population in 1933 paid incomes, what can be said of the other 94 percent, or about 119,000,000 people? They had no incomes of a sufficient amount to warrant taking-the 7,600,000 had the incomes. Does this show the equal distribution of wealth that we hear so much about?

It is altogether possible that the large owners of wealth are now getting what the farmer got in the period from 1920 to the present day. Inevitably their fortunes must fall, but however that may be, the fact that a few did, through special privilege and the control of national resources, concentrate the wealth in a few hands, was the direct cause of our economic break-down.

The unequal distribution of wealth is still the curse of this country. All admit we have a land of plenty. We have to prevent farmers from producing too much food, and yet we have one-half of 127,000,000 people in distress, and no amount of figuring can ever explain to these distressed millions that there is an equal distribution of wealth in the United States

Former Governor Pinchot of Pennsylvania is a rich man, and here is what he said in regard to the unequal distribution of wealth in 1931:

The force behind the stubborn opposition to Federal relief for fear lest the taxation to provide that relief be levied on concentration of wealth—fear lest the policy of years, the policy of shielding the big fortunes at the expense of the little ones, should at long last be tossed into the discard.

This business has gone far enough. We must, as a Nation, give help to those of our fellows who are broken in health and spirit

because they cannot find food to eat or clothes to wear or work to do. This help must come—not mainly from the man of small means, as local relief would have it come, for that will tend only to increase and prolong our distress. It must come mainly from the rich, from those who can so easily carry the burden, from those whose taxes can in no way weaken what consuming power is

In the name of those who are overburdened now, I demand that the tax rates on the upper bracket incomes be increased. In their name I demand that the graduation of the inheritance tax be steepened. And in their name I demand that the exemptions and the lower bracket tax rates be left untouched. To meddle with them is to trifle with disaster and to invite the depression to

I pay an income tax in the brackets myself. In time, a goodly

share of my estate will go to the Government.

But I am willing that the Government shall take more of my income, rather than that millions should suffer from want and hunger. I would be glad to see more of my estate appropriated in taxes if it be used to help set this Nation on its economic feet. I believe in levying taxes according to ability to pay.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. LEA].

THE TOWNSEND PLAN

Mr. LEA of California. Mr. Chairman, the Townsend plan proposes that every citizen over 60 years of age be paid a monthly pension sufficient to make his total income \$200 a month, or \$2,400 a year. Both husbands and wives are eligible.

The pension is to be paid on condition that the beneficiaries refrain from all gainful employment and spend the money within 30 days.

The funds to pay these amounts are to be raised by an inheritance tax, a gift tax, an income tax, and a transaction tax. It is also provided, in substance, that if these taxes are insufficient, funds may be taken from the Treasury, "subject to reimbursement." A "transaction tax" is the principal reliance for raising the necessary funds.

The plan has two radically different purposes.

One purpose is to take care of the needy aged. The other is to give the aged money regardless of their need and in excess of their need, to force its expenditure and thus, in the words of Dr. Townsend, "keep a constant demand for production and consumption." Let us illustrate. Here is an aged couple. They have a modest home, free of debt, but little income. Let us say they need \$50 a month. Instead of giving them \$50 a month the Townsend plan would give them \$400 a month.

The \$50 is given the old couple because they need it; the \$350 is given them beyond their needs, on condition they will spend it promptly in order to promote prosperity.

CARE OF NEEDY

These two purposes are as different as day and night. One purpose is humane and commendable, the other is, in my judgment, improvident, wasteful, morally and economically indefensible.

There is no better way to spend our money than to help the needy. To help them according to their need and our ability to provide such help is a duty and a just assumption of our responsibilities. We should be happy that we are able to provide for such need. We have no poorer way to spend money than to take from those who need it and give to those in more favorable conditions; to take it from the industrious and the frugal to maintain others in luxury or idleness.

NUMBER OF ELIGIBLES

Under the census of 1880 we had only 50,000,000 people. Out of that number 50 years later, in 1930, we had 10,385,000 over 60 years of age.

The number of persons over 60 years is increasing at the rate of about 200,000 a year. That means that the average cost of carrying the Townsend plan would increase about \$480,000,000 a year for 50 years to come.

We now have over 11,000,000 past 60 years. Fifty years from now we will have more than 25,000,000 over 60 years of age.

About 10,000,000 would probably qualify as eligible pensioners. The annual cost would be \$24,000,000,000, outside of the vast expense of administration. This would be equivalent to a per-capita tax of \$190 per year for each man, woman, and child in the United States.

The present per-capita tax for all purposes-district, municipal, county, State, and Federal—is estimated at \$122. If we add \$190 to \$122, it would make an average annual percapita tax of \$312 for every man, woman, and child in the United States.

It would increase the present total tax of our people over 150 percent.

The amount of dollar bills required to pay this tax each year if placed end to end would make a solid line 2,250,000 miles long, or 90 circles around the earth, forming a world highway 18 feet wide. It would pave a boulevard 144 feet wide 3,000 miles from San Francisco to the Atlantic.

Every dollar of that vast sum would represent the surrender of some taxpayer's labor or property to provide it.

Invested capital in the United States produces a net average income of less than 4 percent annually. To support the Townsend plan by invested capital would require \$600,000,-000,000. The total wealth of the United States, income and nonincome property, is now only about \$300,000,000,000. The net income from all invested capital in the United States is insufficient to pay the Townsend plan pension.

The average expectancy of life at 60 years is about 15 years. Under this plan an average of \$36,000 would be paid a pensioner after he ceases to engage in any gainful employment.

The average annual per-capita income of the American people for the 20 years, 1910-29, is estimated at \$511.25. The earnings of an average person for the first 60 years of his life would be \$30,675. The amount paid him under the Townsend plan during his idleness would be \$36,000, or \$5.325 more than the total earnings of his life for 60 years. Fifteen years of idleness would bring a greater reward than 60 years of industry.

Townsend pensioners, if formed in one great parade moving at the rate of 10,000 an hour, would require 40 days and nights to pass a given point. The Government would have to hand out checks for \$200 each at the rate of over 13,000 an hour 24 hours a day for 30 days in order to pay the pensioners within the month when due.

The income of the average citizen, 1910-29, was \$42.60 a month. The Townsend plan would pay a pension of \$200 a month, or more than four times the average income of our

In 1934 the national income of the United States was about \$50,000,000,000. The \$24,000,000,000 required to pay the Townsend pensioners would be 48 percent of that total national income. If the plan had been in operation in 1934, 8 percent of our people, the pensioners, would have received 48 percent of our national income. Ninety-two percent of our people would have received the other 52 percent of the income.

In 1935 the total farm income of the United States was only \$8,000,000,000. The amount required to be paid to the beneficiaries of the Townsend plan would be \$24,000,000,000, or three times the total value of all the farm products of the United States.

Travel through the Pacific States, through the South, through the Central West, and you will see these products of our farms in amazing quantities. They represent the annual earnings of 30,000,000 of our farm population, yet all those millions earned last year would not pay one-third of that proposed for the beneficiaries of the Townsend plan. Can any person conceive that such a burden can be assumed without placing an unbearable load on the people of our country?

These facts show the impracticability and impossible burden of the Townsend plan. It is a vision, not a plan.

FORCED EXPENDITURES

The Townsend advocates urge that the pension must be \$200 a month, and be spent within 30 days, in order to force the circulation of money in a sufficient volume; that if we do this, we will restore and maintain permanent prosperity for everybody.

In other words, we are asked to pay these vast sums to the aged people, not because they need it but because it is a necessary means to force the circulation of money.

We have a growing concern about the number of Government employees. Theodore Roosevelt once said, in

substance, that every useless Government employee is an uninvited guest at the breakfast table of every family in America, sharing with the family and decreasing what it has to enjoy. But it is said that under this plan the money is all to be spent, pass into circulation, and bring prosperity. All the money now gathered by government through taxation soon passes into the channels of private industry, the employment of labor, and the purchase of materials.

Suppose that instead of pensioning 10,000,000 people the Government employ that many in nonproductive services noncompetitive with private industry. That would be a fairly comparable proposal to the Townsend plan. We would seek prosperity through greater taxation in the hope that the circulation of the tax money would bring us prosperity. No one would have confidence in such a plan.

Prudence in the expenditure of this money is not within the theory of the plan.

Let us see what is the opinion of Dr. Townsend as to the necessity of prudently spending money. When before the Ways and Means Committee he was interrogated by Mr. HILL, a member of the committee, as follows:

Mr. Hill. He could not go out and squander it in order to get Mr. Hill. He could not go out and squander it in order to get rid of it, so that he may be eligible to receive \$200 the next month? Dr. Townsenn. We do not care what he does with it. That is immaterial. Let him have carte blanche. Let him buy whisky with it if he wants to kill himself off as quickly as he chooses. That is immaterial. It is commerce—business—that we want in

That is immaterial. It is commerce—business—that we want in the country. We are not going to regulate people's morals in the least when we give them money to spend.

Mr. Hill. Suppose a husband and wife qualify to receive this pension. They would be receiving \$400 per month. Let us say they have a family of grown-up children. Would it be permissible for those children to live with them and be supported from the provisions supplied with this pension money in the home?

Dr. Townsend. Why not? Why not let elders buy commodities and give to their children if they like? That is immaterial.

IMPROVIDENT SPENDING

Let us look at some examples of how the earnings of the taxpayers under the Townsend plan are to be spent.

Much of the money would be spent for purposes never thought of as being in their reach by those who paid the taxes.

John Jones is a prosperous man. He has a fine home free of debt, a good auto, and all the other reasonable comforts of life, including \$30,000, bringing him \$1,500 a year interest. Under the Townsend plan we would give him and his wife \$3,300. To get the money to pay that \$3,300 we tax the poorest workingman, everything his children wear; the farmer, already crushed under a farm debt; not one man, woman, or child in the land escapes the tax burden.

John Smith and wife are over 60 years of age. They have a good home, no children, and he has a \$2,000 job. He gives up his job. The rest of the people of the country, out of their earnings, no difference how badly needed, pay him and his wife \$4,800 a year.

John Doe has had good health all his life, but he was lazy and shiftless. When he was making money he saved nothing. When 60 years of age, the people who have worked and saved are to pay him \$200 a month.

A husband has a salary of \$12,000 a year, or \$1,000 a month. His wife has no salary. The people would be taxed to pay that wife \$2,400 a year. Who can justify such an expenditure?

Bill Smith is an unmarried man over 60 years of age, in good health, and is amply able to take care of himself. He is to be given \$2,400 a year. The widow who lives next door in a rented house with three minor children dependent on her is to be paid nothing. Everything that she and her children eat or wear will be taxed to help support Bill Smith.

There are 43,000,000 school children under 18 years of age, all of whose parents would be subjected to a multiple tax on everything they use, eat, or wear to pay pensions.

In all, there are about 70,000,000 people in the United States who are wholly or partially dependent on others for support. All these people would be taxed to pay \$200 pensions to millions of people who need no pensions, or who need far less than \$200 a month.

Examples can be multiplied indefinitely, under which the Townsend plan would authorize the payment of money with appalling indifference to its prudent expenditure and disregard of any consideration for those whose labor produces the funds.

"HUMILIATING" TO SHOW NEED OF PENSION

The legitimate basis of an old-age pension is the need of the aged.

We are told that a fixed amount of pension should be paid alike to all over 60 regardless of their need; that the applicant should be paid his pension without being humiliated to show a need. The taxpayer is not relieved from paying the tax by showing he needs the money. Is it fair to him that his earnings should be taken and paid others whether they need it or not?

A person who receives his living from others has developed a supersensitive sense of humiliation if he wants to be supported without even being required to show that he needs help.

It should be humiliating to receive the money on any other basis than one's need. If misfortune comes to me, and I find it necessary to go to you for help, the only way I can justify asking you for money for my support would be that I need it. Without the need I would be humiliated and unwarranted in asking your help.

When we receive our living through an age pension from the Government we are placing our burden on the shoulders of other people. The only justification that we can have for placing that burden on them is our need.

ENFORCED IDLENESS

The Townsend plan tries to enforce idleness after 60 years by refusing a pension to those who pursue any gainful employment. The man who tries to support himself in whole or in part by gainful employment is denied a pension. The theory seems to be that the rest of us want the entire job of supporting those over 60, and if they insist on trying to take care of themselves we will do nothing for them.

A plan that denies an individual a useful and gainful employment tends to impoverish, rather than prosper, the Nation. Enforced idleness is not a legitimate goal of existence. On the contrary, the normal and happy man is the one usefully employed while properly able to work. Usefulness, rather than idleness, should be the motive of life, even in the crowning years of age.

We have heard much about the improvidence of plowing under a portion of growing crops to prevent a glut in the market of the farmer. That method was resorted to as a temporary emergency in aid of distressed agriculture. No one should suggest that as a permanent policy.

The Townsend plan would establish a permanent policy of preventing many men of good health, experience, and ability from engaging in useful employment, contributing to the productive wealth of the country, and thus adding to the sum total of what the American people can enjoy. In the language of the day, this is a proposal to plow under human usefulness.

Under the pressure of the depression we have 10,000,000 unemployed. This is an abnormal condition awaiting better times for correction. The unemployed are economically non-productive and burdensome. If unemployment is what we need to make prosperity, we should have it already.

Under the Townsend plan millions would be needlessly taken from gainful productive pursuits and placed permanently among the unemployed, nonproductive population.

It is more profitable to society to pay a man to work than to pay him not to work.

PEDERAL PENSION CONTRIBUTION

The Federal Government recently provided for matching State pensions for the aged up to \$15 per month. That is, the Federal Government will give not exceeding \$15 per month for the care of those over 65 years of age where the State provides a similar or greater amount. The Federal plan contemplates the money shall be given only to those in need and to the extent of their need.

The \$15 a month provided for by the Federal Government is not offered on the theory that the Federal Government is assuming the duty of providing a living for the aged, but rather as a contribution to encourage the State to perform its proper function in caring for its needy aged.

Under the plan of the Federal Government and the States as now practiced, it is the duty of the children to take care of the parents, if able to do so. Under the Townsend plan, the children would be entirely relieved of the obligation to take care of their own parents. Under the plan of the Federal Government, the pension is confined to the need of the individual. Under the Townsend plan, the pension is given regardless of that need.

The primary duty to care for the aged rests with the States. The States should contribute to any just old-age pension plan. For 145 years the States and their local subdivisions alone provided for the needy aged. Even now only 22 States have State-wide pension systems. The Federal Government has stepped into this situation to encourage the States to do their full duty to the aged. After the State has matched the Federal contribution, it should provide as much more as it finds necessary for the pensioner.

If the State fully matches the Federal contribution, and no more, the pensioner will receive \$360 a year; a husband and wife \$720. This total would equal the income on \$14,400 at 5 percent.

This Federal contribution is being called a "pauper pension." Now, when, for the first time after 146 years, the Federal Government is starting in to help on old-age pensions, before the first payment is due, a cry of complaint is heard about the insufficiency of the amount.

We should at least give the States a little time to catch up on their duties to the aged. Time may justify a higher contribution. Let us not start a political auction at this time, with candidates trying to outbid each other in spending other people's money as the easiest route to political success.

The idea commonly seems to prevail that money from the Federal Government does not cost the people of the States anything. Until John Citizen wakes up to the fact that the only source of revenue of the Federal Government is the people of the States, we are in a poor position to legislate discreetly on pensions.

LET EARNERS SPEND

The old-fashioned idea was that the man who earns or saves money should have a right to spend it. Under the Townsend plan we take money from the man who earned it and give it to others to spend to create prosperity.

It is a proposal that one shall sow, another reap; one earn, another spend.

Will the pensioners spend it more usefully than those who earned it?

Those who earn money spend it to pay their current living expenses. If anything is left beyond that, they invest in productive enterprises where the money pays for the employment of labor and the production of useful articles to supply the needs of our people. I know of no purpose for which money can be spent by pensioners that will be of greater advantage to labor and to the country than those purposes to which its owner applies it. Every intelligent person either spends or invests his money. That is the only way it can be useful to him or anybody else.

The man who earns his money by the sweat of his brow, who denies himself comforts and luxuries of life to save and invest to provide for himself and his children should have first claim on spending it.

I would willingly tax him to pay his part for the relief of the needy.

I will not help to take his earnings to give to others in better circumstances or beyond their needs.

If the Nation should adopt the novel policy of forcing the expenditure of money for the sake of spending, then to whom should we turn to do that spending? One plan would be to force the man who earned it to do his own spending and let him get the benefit of it. The Townsend plan turns to those over 60 years of age and excludes all others as beneficiaries.

In my judgment, if we should adopt such a policy of forcing the expenditure of money through others than those who earned it, we should place the money in the hands of those who most need it, regardless of their age. People are not all in need of money because they are aged. Many of

our people fortunately go into old age well provided. They are no more entitled to receive money for the sake of spending than persons in any other age of life. If your money is to be allotted to be spent, let it serve the double purpose of spending and care for our needy, regardless of age.

Give it to the blind, the cripples, the widowed mother and her small children, to neglected children. The most productive investment in human beings is in our boys and girls and our young men and women.

With so many in need, why place one dollar in the hands of those not in need? In giving to those who really need we could exhaust the spending power of the Nation. Make the spending campaign one of undivided mercy and helpfulness; take from no unfortunate to give to those in happier or more comfortable conditions.

PROPAGANDA METHODS

The adoption of the Townsend plan would be a momentous change in our Government. It would make more people dependent upon other people than any other single act of mankind. Yet the means of carrying this incomparable burden are referred to only in the most nonchalant and carefree way. We have only the talk of the slick salesman. In your interest and out of his love for you he comes to tell you how easily and how quickly you can get rich. With assurance he describes to you the convenience and blessings of a good income, a life of ease, and the prestige of comfort; how foolish to grind along, making a living in the commonplace drudgery way. He convinces you. The first little formality to be attended to is to raise the money. You mortgage your home. It is really no mortgage; you are just loaning your credit until the fourfold income blots out your debts.

The gray dawn comes, the sheriff is at your door. You walk out of your home and turn back at the gate to see the last beam fade out of your rainbow.

Let us not conduct the business of this Nation in any such

The Townsend Booklet No. 2 states that the funds for these pensioners can be secured and "place no great burden on anybody." It is said the plan does not impose "any obligation upon our Government except only to furnish the mechanism for operating the plan." All the Government has to do is to tax the people \$24,000,000,000, pay the staggering expense of administration, and turn the money over to the

It is further stated "it does not cause any public debt." The plan would create the greatest debt burden ever assumed by any nation in the history of the world, and yet we are assured that that is not the creation of any public debt. Are such statements candid, fair, or enlightening? Do they help to a proper understanding of a plan so glibly presented?

INVEST IN PROSPERITY In effect the American people are urged to invest in a scheme to produce wealth. The first feature of the plan calls for more taxes.

To a prudent man or woman there are two primary considerations in making an investment. First, you want security; you do not want to lose your money; you want it to come back to you; you want to be quite sure of that.

In the second place, you want a fair return on your investment; you do not want to part with your earnings for nothing, to give or throw them away.

This plan proposes that you invest your money in increased taxation, 150 percent greater than the country now pays. It proposes that you invest in idleness; that this money be paid to people on their promise not to work or help bear the burden of their own support.

The assurance that your investment is secure and profitable is based on the belief that the people who will spend your earnings will spend them more to your advantage than if you spent them yourself.

I ask you, as a prudent man or woman who knows how you earn your money and how you save it, do you want to invest it in that sort of an enterprise?

Irresponsible people who neither save nor plan for the

measure the country's policies even by the hope that they may prosper by taking the earnings of others, may be willing to invest in the plan; but I submit those who act for the benefit of themselves and their children over the long future. who have a just regard for the rights of others, cannot afford to invest in this illusive hope.

THE TRANSACTION TAX

The transaction tax is advanced as the means by which these magic sums of money are to be accumulated with "no great burden on anybody."

Debts are debts; taxes are taxes. They must be paid out of the earnings and savings of the industrious and the prudent.

The taxes to be collected under the Townsend plan are just as burdensome as taxes for other purposes. If the people of the country pay \$24,000,000,000 more taxes, they have that much less to spend for other purposes.

The transaction tax is a sales tax, a consumers' tax, a multiple sales tax, a pyramiding tax. It is heartless and cruel in its operation. Childhood, youth, labor, poverty, sickness, and misfortune do not escape it. It is carried as a charge to the consumer. The 50,000,000 men and women who work for wages and salaries, and their dependents, the farmers, and middle-class people, must bear its burdens.

Substantially all invested capital in the United States is engaged in producing, manufacturing, and distributing the necessities and comforts of life for the great masses of our people. Every tax imposed upon productive industry, or business transactions, adds to the cost of producing and distributing these goods, and must be paid by the consumer.

The farmers, the laboring men, and the children would be three particular sufferers from the Townsend plan. The farmer would be a chief victim because he buys and sells so much that would be taxed out of proportion to his net income. The direct and indirect transaction taxes would operate against him virtually as a property tax instead of a tax against current income; the laboring man because he would suffer a rise in his buying prices much greater than in wages; he would have less buying power because of the greater buying power transferred from him by the tax to the pensioned class. In other words, we would place on him the support of others outside his family.

The children would be the chief sufferers of all. In 1930 we had 43,000,000 children in the United States under 18 years of age. Their young and middle-aged parents, mostly not financially entrenched, carrying the burden of food, clothing, shelter, medicine, and little indulgences for a family of several would feel the pinch, the restricted earning power under the Townsend plan. The earning power of these parents for their own children would be greatly diminished by the burden of carrying the pensioners. It would be cruel and unconscionable through a multiple transaction tax to take or diminish the food, clothing, shelter, and comforts of the 43,000,000 children of America. It would mean a harder lot for the average child, a decrease of his opportunity in life.

It is these children's homes the transaction tax would hit the hardest. The last place I want to send the tax collector for unnecessary and burdensome taxes is to the homes of the young men and women of America who are carrying the blessed burden of bringing up the future citizen of this Republic.

MORTGAGE ON CHILD

Let us take the case of the average child who is born into an American home. This average child will live to be about 57 years of age. During those 57 years he would be subjected to a tax of \$10,830 to support the Townsend plan. The charge against him for taxes would equal an interest charge of 4 percent on a mortgage for \$4,750 for the whole of his life. Will the young mothers of America be happy to bring their children into the world to bear this life load of debt? Will aged persons seek to place this burden on their grandchildren who will bear their names long after the moss has crept up over the inscriptions on their tombstones?

The father provides for his own family according to his varying income. Sometimes he spends more, sometimes less, just as he is able. Not so will be his obligation to help supfuture, who are indifferent to the country's welfare, and who port the pensioners. They, through taxes, are to have \$200

a month net income, through sunshine and storm, through abundance and drought. The father may reduce spending for his own, but not for the pensioners.

TAX A FIXED CHARGE

If you will study the Townsend plan, you will find that one certain thing about it is the tax. It provides for a universal tax, a tax to raise a greater sum than was ever before collected in the same length of time in this world. The alleged benefits of the plan are conjectural, speculative, and debatable, but the burden of the tax is definite, certain, inescapable.

When I read the Townsend literature I am not surprised to find in what glowing terms the spending benefits of the plan are described and how meagerly and evasively we are told how the money is to be earned and paid.

In connection with this tax it must be remembered that all taxes are a part of the living expenses of the American people.

One of the greatest causes of the continuance of this depression is the vast load of taxes and interest charges on our debts that now hang around the necks of the American people like millstones. These are fixed charges that must be paid before we can apply our earnings to our other needs. The Townsend plan would simply accentuate and increase the evils from which we are already suffering. Instead of being a constructive remedy to provide for increased consumption and the natural creation of wealth, it provides only for increased taxation, increased debts, taking from those already overburdened, and the creation of a special group to enjoy the fruits of their labors.

We may be justified in great expenditures in applying the money for the immediate need of the country and for labor employment. But a long-time policy affecting generations yet unborn should not be adopted, adjusted to the abnormal conditions of the hour instead of the decades to come.

The workingman is being told that it would cost him only 2 percent of what he spends to support the plan. How idle is such information! The real burden of the tax would be passed to him in the form of higher prices, which would in effect reduce his wages. The people of fixed or limited incomes, like men on wages and salaries, clerks, teachers, and farmers, would suffer a decrease in their purchasing power. Our war veterans would have the value, the purchasing power of their pensions, reduced. The annuities provided for widows and children would be likewise reduced in purchasing power. The attempt to serve humanity would begin by forcing a reduction in the value of many of the provisions already made to take care of the aged and dependents.

TAX THE RICH

No such burdensome tax has ever heretofore been proposed for the poor and middle classes of our country. Yet everywhere the plan is presented on the theory that its burden to the average man is inconsequential. Members for the Townsend Clubs are solicited to be tax spenders, not tax payers. Some rich man somewhere is supposed to pay the tax bill,

How does the Townsend plan tax the rich? It does not propose to take his property from him like Huey Long did. It proposes to tax the business transactions in which the rich man engages.

The concentrated wealth of this country is invested in a few main lines of human endeavor. It is employed in production of clothing, food, fuel, shelter, transportation, machinery, and chemicals. Any tax added to wealth so invested becomes a part of the cost of producing the articles in which the money is invested. The rich man, the same as any other producer, adds the tax to the cost of production, adds his profit to the investment, and passes it on to the consumer. If you want to give people correct information, do not tell them that a transaction tax is not a burden on the consumer.

And who are the consumers? The consumers are principally the 50,000,000 men and women who toil and their dependents. They represent the poor and the great middle classes of this Republic and few beyond these classes. The great burden of the Townsend plan would fall on the common people of our country. The great business concerns would add their costs, taxes, and profits. A plan that would not permit them to charge such a tax as costs would make it impossible for them to continue to do business. Every busi-

nessman, from the little fellow in the hole in the wall to the greatest corporation in the country, would follow that course.

A rich consumer will pay on the part he and his family consume. That will be more than the average man pays. The rich man may live on 20 percent of his income; the poor man lives on 95 percent of his income. There are so few rich and so many in poor or moderate circumstances that the great burden of the load will fall on the people of modest income.

What the rich man pays as a tax on his business transactions, on his industrial enterprises, will be passed on to the consumers as a part of the cost of production and distribution.

EFFECT ON CALIFORNIA

California has a 3 percent consumers' sales tax. This year it will produce about \$66,000,000. We have one-twentieth of the population and wealth of the United States. We pay a little more than the average cost per capita of Federal taxes. In other words, every expenditure of the Federal Government costs our people a little more than it does the average population of the United States. If we could carry the Townsend plan under State law, it would cost no more than under the Federal law.

The cost to California of carrying the Townsend plan would be about \$1,150,000,000 per year at the present time, with the amount increasing indefinitely.

To meet this expense by the transaction tax, which is only a multiple sales tax, we would have to collect 17 times the taxes we collected last year by our sales tax. Any man who can persuade our people to believe that their welfare is to be served by the imposition of any such tax will have to rely upon hypnotism rather than facts or common sense.

The people, ourselves and our neighbors, who pay our sales taxes, must pay the transaction tax. They would not only pay it as specific sums for taxes, but to a much larger extent in the indirect form of higher living costs. Every purchase would include the payment of not only the immediate transaction tax but every prior tax to which the article purchased had been subjected. The sober judgment of our people should convince them that so great a tax is neither possible nor desirable.

UNCLE SAM, TAX COLLECTOR

Heretofore the little fellow, the wage earner, the farmer, and the salaried man have had little direct familiarity with Federal taxes. The Federal Government has confined itself for revenue principally to customs taxes, income taxes, and limited excise taxes. The adoption of the Townsend plan would change all this. The poorest man in the land would become a Federal taxpayer. In effect, Uncle Sam's tax collector would sit at every farmer's gate collecting a toll out of all he sells and buys. He would sit at the door of every home, however humble. He would be at every counter, at every dinner table, at every business transaction. He would be there to enforce the decree of the Townsend plan to make the Federal Government a greater tax collector than all other tax collectors combined, to collect 150 percent more taxes than the total now paid by the American people.

TAXPAYERS AND TAX SPENDERS

The Townsend plan divides our people into two groups—10,000,000 pensioners, nonproducers and tax spenders; 115,-000,000 others, producers and taxpayers. The taxpayers support the tax spenders. The tax spenders do not support the taxpayers. The buying power of the aged is increased, but only to the extent that the buying power of the taxpayers is decreased. We must first take from the taxpayers before we can give to the tax spenders. The taxpayers support the pensioners; the pensioners do not support the taxpayers.

Money is a measure of value. It is also a medium of exchange. We receive money for our labor and materials. We exchange the money for other labor and materials. The exchange of money is a means of transferring our labor and our materials with others. When we give the aged our money, they keep not our money but our labor and our materials. When the taxpayers get back their money through purchases by the aged they may have as much money, but no more, than before. They are out their labor and materials thus transferred to the aged. We can never prosper by giving people money with which to buy our wares. We do not in-

crease our spending power by giving away our money and getting it back by selling our goods for it.

Some years ago I met a man who had 10 grown children. His family had more property than average Americans. Suppose the 10 children contributed \$400 a month to their two parents. Would the family increase its wealth or have any more purchasing power? Certainly not.

Our Nation is a group of families. No difference how large the group, the process and result is the same. There is no increase of purchasing power by transferring the money from one group to another.

It is true that persons over 60 years of age would, individually, have more money to spend. Other individuals would doubtless receive more than the plan would cost them. It would cost somebody else more than they received.

Give the aged \$24,000,000,000 of our money and we are no richer than before. They have \$24,000,000,000 more and we \$24,000,000,000 less. They come back and spend the money to secure our labor and our property. When the "revolving" is complete the 115,000,000 have the same amount of money as when the "revolving" began, but they are short \$24,000,000,000 worth of services and property.

ADMINISTRATION

The proper administration of the plan would require a Government check-up every month to learn whether or not each beneficiary has spent the money given him, and the amount of the individual income, if any, which should be deducted from his \$200 pension. As there are over 10,000,000 eligibles scattered to the remotest sections of the country, it would require an army of employees to supervise its administration.

If it took 10 minutes to check the application and pay the claim of each pensioner, the time consumed by Government or bank employees on each monthly settlement would be over 200,000 days. No mortal man can know the thousands of years of labor it would take to earn the money to make even one monthly payment.

The number of business transactions that occur in this country are innumerable. If two farmers in Iowa trade a calf for a pig, both must be checked up and the tax paid. So all over the country. If the whole United States Army was assigned to the job, it would be unequal to the task. There might be 10,000,000 pensioners, but there would be over 75,000,000 people engaged in transactions calling for a tax, a check-up, and collection.

A TEST OF POPULAR GOVERNMENT

The Townsend movement is a mass attack against the earnings and savings of the industrious and the thrifty. It proposes to take earnings from all and award them to the industrious and the slothful, the deserving and undeserving alike. It offers, not something but much, for nothing. It encourages idleness, discourages industry and frugality. It makes a vicious appeal to the electorate to use their political power to vote themselves a competence at the expense of their fellowmen, even at the expense of those already in poverty and distress. It appeals to the selfish, the avaricious, the shiftless, who are willing to ride and live off the fruits of others.

The power of our people in Government includes the power to destroy the value of private ownership and to deny just rewards to thrift, frugality, and industry.

Our economic system rests on security in the ownership and enjoyment of property. We are dependent on men who have accumulated property for the employment of labor. The propertyless are not employers of labor.

If our people establish a practice of using their political power to vote themselves pensions, regardless of their needs, then we are cultivating an appetite that is insatiable. The demand will grow and grow. Already it is suggested that the pensionable age be reduced to 55 years, and also that several other million beneficiaries be brought within the plan. If 10,000,000 people can live off of others in idleness, why not the rest of us?

The logical sequence of such a practice would be to take away the reward of private ownership and the incentive of the individual, the moral deterioration of our workers, the elimination of the private employer, and the gradual mergence of our economic system into a socialistic state, with the Government as the employer. Then industry will be under a political and incompetent control, with decreased produc-

tion and increased cost. The share-the-wealth plan will fade into a share-the-poverty plan. Shall preying upon the thrifty become a practice and a policy of our people?

Our faith in popular government assumes a wisdom and virtue on the part of the people that will forbid them from using their political power to take over the earnings and property of their neighbors.

Soon our land will ring with the appeal, "Vote for us and we will give you \$200 a month"—of other people's money.

Can our Government stand this test?

The American people are the descendants of pioneers. On the whole they have been a hard-working, self-reliant class. In the language of another, I do not expect to see this people sink down "to the level of a pension-collecting, rockingchair-sitting, money-squandering outfit."

The adoption of the Townsend plan would make more people dependent upon other people than any other single act of mankind. The far-reaching and ramifying effects of such a change upon our political, economic, and social structure can be measured with no degree of accuracy. I have not attempted to discuss several of its ill consequences. If the Nation hastens into this magnificent folly, it will probably long repent in sackcloth and ashes.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. LEA of California. I yield.

Mr. BLANTON. The distinguished gentleman from California [Mr. Lea] is one of the most distinguished and beloved Members of this House, and a most valuable legislator to the country. He has been chairman of the Democratic caucus of this House; he is one of our leaders here; yet Dr. Townsend and the hired help of the Townsend movement say, forsooth, because he will not support this monstrosity they are going to remove him from office! They cannot do it, His constituents would not allow it. It would be a calamity to the Government if this should occur. [Applause.]

Mr. LEA of California, Mr. Chairman, I yield back the

balance of my time.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. Moritz].

Mr. MORITZ. Mr. Chairman, in reply to the gentleman who preceded me, whenever somebody speaks on a popular subject, a grand big hand is given to him when the majority agrees with him. If, however, more Congressmen would get home oftener and see what conditions people at home have to live under they probably would change their minds. Why, Mr. Chairman, there are but a few professional men in a city right now who can make a living. People are not back to prosperity by any means. They have a little temporary relief given to them by the W. P. A.; but, as for any semblance of prosperity, it is not there. Congressmen are paid \$10,000 a year; they are allowed a couple of clerks, and almost every one of them to a man has a son or a daughter on the pay roll; and they fold their arms and say: "Why fool with this Townsend plan or any other plan? We are sitting pretty."

Mr. Chairman, let me cite the instance of a dentist from whom I recently got a letter. He said that of 15 extractions he performed but one person was able to pay 50 cents. He wrote me another letter saying he is \$900 in arrears of rent, and does not know how he can keep up.

Mr. Chairman, I do not find fault with anybody who differs with me, but I do not think any other person should find fault with those who differ with them. [Applause.]

Mr. Chairman, I do not say the Townsend plan is 100 percent perfect. Is any other plan perfect? Right after the war there was a sales tax that taxed you out of house and home and it was a hardship on the poor man. The proceeds of the sales tax went to the Government of the United States, and what they did with it nobody knows; they probably bought some trucks and left them out in the rain to deteriorate. The point is, however, that the Government got those proceeds. But this sales tax, if you please, is a refund to the people who give a portion of their money to a fund from which they can expect some benefit. It is like contributing to an annuity fund. Those contributing know they will be the recipients of the benefits of these funds. It is

quite a different story from having to pay a sales tax and never seeing the money again.

You have not answered this problem at all, my friends. You may talk about abolishing the Townsend plan, but you cannot get away from it. Only those people, if you please, belittle something new when they themselves are "sitting pretty."

Members of Congress, as a general rule, like to hear other Members narrate personal experiences, even though they do not agree with them. I have just a few ideas in mind and I wish to express them. Pittsburgh is going Democratic again, because Pittsburgh is an industrial and mining section, and they know they cannot depend upon nor get anything from the reactionary Republicans. In 1924 when Senator La Follette came to Pittsburgh the revolt began, and from that date the people of Pittsburgh have stood for that which is liberal. They realize that it is the reactionary Republicans who own the monopolistic corporations in Pittsburgh. Pittsburgh and western Pennsylvania will go Democratic again because President Roosevelt has shown that he is liberal-minded.

Mr. DUNN of Pennsylvania. Will the gentleman yield? Mr. MORITZ. I yield to the gentleman from Pennsyl-

Mr. DUNN of Pennsylvania. Is it not a fact one of the reasons why the gentleman approves the Townsend plan is because he believes it is going to bring back prosperity and, if enacted into law, welfare agencies and poorhouses, as well as the slum districts, will be eradicated from the United States?

Mr. MORITZ. The gentleman has stated the proposition correctly. We are having a meeting of the steering committee with reference to the McGroarty bill this evening. Never has it been stated that \$200 was to be given to every person over 60 years of age.

Mr. DUNN of Pennsylvania. May I say to the gentleman there has been a misunderstanding of my position with reference to the Townsend plan. I am in favor of an adequate pension, but I am not in favor of putting a sales tax on the common people and on the poor people. However, I am in favor of an adequate pension. [Applause.]

Mr. MORITZ. The gentleman may make a speech on his own time.

Mr. DUNN of Pennsylvania. I just made it. Thanks.

Mr. MORITZ. Mr. Chairman, as I stated before, the taxing of poor people, of course, is a hardship; but if the poor people get something out of it that is better than they fared heretofore where a sales tax was in force and they got nothing out of it, as happened right after the war.

Mr. Chairman, I wish to speak also on the subject of money. May 18, 1920, to my mind, ought to be put down as a big black-letter day, because it was on that date that the Federal Reserve System contracted the currency, and from that date the depression started.

Mr. Chairman, I believe the time is fast approaching when great numbers of our citizens are commencing to ask embarrassing questions of Members of this Congress.

The same questions would have embarrassed Members of 73 Congresses which have preceded this.

The Constitution of the United States is being rediscovered. The recent decisions of the Supreme Court have been widely proclaimed. Congress is on the spot and the Court is on the spot.

Men are asking us, "What of the powers of Congress?" Why is it that the first enumerated power, the power to tax, is upset by the Supreme Court which interprets the use of that power as illegal and unconstitutional when the tax is levied on one portion of our people and disbursed to another portion?

They criticize from all sides our use of the second power of Congress, the power to borrow money. Frankly, I admit I cannot answer their questions. I cannot find the answer to such simple questions as these: Why is it that this Government has to establish an R. F. C. to bail the defunct banks out of trouble and loan them one-third of their entire capital stock to keep them operating, and insure their de-

posits to keep the faith of the public in them, and forgive them the duty of paying interest on time deposits, and then after all these things loan them the currency of the United States against their assets? Why then does this Government have to borrow money from the banks to pay the bonus or any other extraordinary expenditure?

Why is it, they ask me, does this Government issue interest-bearing bonds, oversubscribed by the banks, in amounts of billions of dollars, when the Treasury statements of the Comptroller show that all the banks in the Nation have only about \$700,000,000 in their vaults; that the day after they subscribe to Government bonds they still have the same amount in their vaults?

Why is it that the Supreme Court kicks out all our legislation under the commerce clause of the Constitution and upholds our legislation under the fifth power of Congress, the money power, as in the case of gold revaluation?

I am asked if Congress has the power to "coin and regulate the value of money", why we do not use that power and issue the currency of the United States, leaving credit to the banks instead of doing as we do now, when we permit the private bankers to issue the currency? I am wondering whether we are not running in reverse all the time. I am again asked questions by the people that I cannot answer. Why did Jackson veto the charter of the Second Bank of the United States, which was privately owned, because he believed it unconstitutional, while Democrats who praise the name of Jackson defend the privately owned Federal Reserve System, which must be just as unconstitutional.

Why do we who follow our great President in his destiny and praise his inaugural address in which he promised "to drive the money changers from the temple", and now in the Banking Act of 1935 vote to give all the profits of the Federal Reserve System over to the bankers, when the fact is that from 1913 to 1935, after a 6-percent dividend was declared, the profits were always split 50-50 between the Government and the bankers?

Why is it that in all this banking legislation and in all this bond racket there is no objection of our actions from the other side of the House?

Why is it that the administration is so frequently charged with invading the field of private business, is not urged to invade the field of public business, the money and the banking field?

Since Saturday last I am asked why Governor Smith, in his attack on President Roosevelt, kept away from the money question, the bond question, and the banking question. Why did not Al mention that the only power of Congress we Democrats used that did stick before the Supreme Court was the money power; and as he spoke in the Mayflower under the auspices of the American Liberty League, I am wondering why he did not criticize the Banking Act of 1935, the interest-bearing bonds, the debt of thirty-odd billion, and the burden the taxpayers are bearing because of interest on money borrowed by this Government, the only power in the land that has the power to coin it.

I am honestly wondering, Mr. Chairman, if it would not be the best thing for the people if the Democrats fixed the responsibility for the depression directly on the Republicans, under whose administration and from 1929 to 1933 six and one-half billions of dollars in fiction credit money was permitted to be withdrawn from circulation by the private banking system of this country.

But I am in difficulty, for I fear the Republicans might reply that we Democrats tried to borrow our way back to prosperity by issuing interest-bearing bonds and thereby imposed a double burden on a tax-ridden people.

Finally, the question I am never able to answer any constituents is this, Why does Congress not take over the whole Federal Reserve System, lock, stock, and barrel, paying its private owners in full what they paid for their stock with 6 percent from its date of purchase, less any dividends that may have been paid, and with that System as an agency of Congress, build a central bank, a monetary authority, a fiscal agency of the United States, that will keep the supply of credit and currency adequate and safe; that will control

inflation and deflation; that will raise price levels and destroy the greatest enemy of the Nation—the Federal Reserve System, with its private control of money? [Applause.]

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. Culkin].

Mr. CULKIN. Mr. Chairman, I have been somewhat intrigued, if that is the correct word, by the discussion that has gone on here with reference to the address of former Governor Smith before the Liberty League the other evening. The gentleman from Pennsylvania, who addressed the House this morning, and the gentleman from Minnesota, who addressed the House yesterday, stated that the Democratic Party created a precedent when they walked out on Al Smith in 1928. The reasons, of course, that they walked out at that time are never discussed in polite society.

What especially stimulates me in connection with that situation is the fact that Governor Smith is arrayed in bitter, unkindly terms for having attended a gathering and addressing certain malefactors of great wealth, the men who are contributors to the Liberty League fund. I sought and endeavored a moment ago to gain from the eloquent gentleman from Pennsylvania-I still call him that, although he disclaims the honor-a difference between the practice of the distinguished occupant of the White House spending weeks at a time on the palatial yacht of Vincent Astor and the fact that Governor Smith-a distinguished and ripened publicist, with his life full of undoubted achievements for mankindappears before these industrialists and gives his views on the state of the Nation. I confess that I am unable to understand the outcry that has gone out with reference to this matter. It seems to me it is definitely and basically a demagogic attempt to becloud the issues and throw sand in the eyes of the people.

I do not envy nor do I deny to the distinguished President of the United States, whose burdens are heavy, the right to seek his recreation wherever he may; but I call attention to the fact that these Liberty Leaguers, who are in fact real industrialists, employ thousands of men and make localities blossom like the rose. Why are they put in the category of abandoned men and lepers from the economic standpoint and, at the same time, Vincent Astor is by inference dignified and exalted by the attendance of the President of the United

States on his \$3,000,000 yacht?

Mr. ZIONCHECK. Will the gentleman yield?
Mr. CULKIN. No; I cannot yield to the gentleman now.

Mr. CULKIN. No; I cannot yield to the gentleman now. Nor were those visits to the yacht without fruit. I call attention to the Members of the House to the fact that out of this association ripened and blossomed the magazine Today. When Professor Moley crossed swords with the distinguished Secretary of State and was thrown into the discard, then indeed, if you please, Vincent Astor, the friend and familiar of the President, took the other friend and familiar of the President to his bosom and started this magazine. May I suggest to the gentlemen on the other side who are attributing unworthy motives to this great American publicist, Al Smith, who is great in achievement, great in point of character, and from my viewpoint possesses sound political philosophy, that the President's own party is not free from the alleged stain of associating with these malefactors of great wealth.

For example, Jim Farley, the field marshal of the Democratic Party, is not loath to accept a substantial contribution from the Morgan firm—the hated Morgan firm—which has been brought to its knees and an attempt made to show that this firm was in fact an outfit that was promoting war. They contribute to the Democratic campaign fund. The Fisher Body outfit, with its history of labor-struggle difficulties, and the Chrysler firm, with a similar history, are substantial contributors to the Democratic campaign fund. Last, but not least, Mr. Chairman, is that distinguished purist, that great publicist, Henry L. Doherty, who sold the American people a billion dollars' worth of stock which on the findings of the Federal Trade Commission is now worth \$30,000,000. He is likewise the friend and familiar of the President. Father Coughlin, a publicist of some renown,

says that both parties are tarred with the same stick. He is a neutral diagnostician, and when he states they are both tarred with the same stick it is worth considering.

I mention these facts, in passing, for the purpose of calling the attention of the House to the fact that while Al Smith made this address there he spent but 1 hour in that company; but the distinguished President of the United States, in the palatial atmosphere of the Nourmahal, costing from three to four million dollars, spends weeks at a time hiving with other gentlemen who have not amassed but only inherited vast wealth.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. Not now.

So these contacts, if you please, are mutual. Both parties have them; both parties have their financial fringes as they have their lunatic fringes. So do not let us hear any more of this claptrap and demagogic outcry against the propriety of Al Smith addressing a meeting of industrialists who have on their pay rolls at a real living wage thousands of contented Americans.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield now?

Mr. CULKIN. I am going to yield first to my distinguished friend from Washington, but I am not going to listen to a speech.

Mr. ZIONCHECK. Referring to the gentleman's last statement, what is the lunatic fringe and what is not the lunatic fringe to which the gentleman refers—the ones who accept these funds the gentleman talks about or those who do not accept them?

Mr. CULKIN. I may say-

Mr. ZIONCHECK. Well, answer the question.

Mr. CULKIN. Who has the floor, Mr. Chairman?

Mr. ZIONCHECK. All right.

Mr. CULKIN. I have tried to be courteous to the gentleman, but now he is bulldozing me. [Laughter and applause.] Both parties are guilty of the same crime, if it is a crime.

Mr. ZIONCHECK. But how about the lunatic fringe? Will the gentleman answer that?

Mr. CULKIN. No; that is all. I yield now to the gentleman from Massachusetts.

Mr. McCORMACK. I was rather interested while I was listening to my friend's remarks to know whether the gentleman supported Governor Smith in 1928.

Mr. CULKIN. No; I am frank to say I did not, but I have never ceased to admire Governor Smith as an executive. We have had a long line of distinguished Republican Governors in New York State, but no Republican Governor in New York State gave better service to the people than Al Smith—and I am stating the facts when I tell the gentleman that. May I say there were some other Governors of New York State who went into higher spheres and higher atmospheres, but none of these gentlemen were so distinguished as Mr. Smith in the office of Governor.

Mr. RICH. Mr. Chairman, will the gentleman yield? Mr. CULKIN. I yield.

Mr. RICH. I should like to ask the gentleman from Massachusetts if he supported the President last week in his veto.

Mr. McCORMACK. Of course, I do not want to inject into the speech of the gentleman from New York an answer to that question, because it is beneath the dignity of any gentleman to try to break into another gentleman's speech by asking such a ridiculous question, which is a million light-years away from what the gentleman from New York is discussing.

Mr. RICH. Will the gentleman from Massachusetts yield? My question to you, if you support the President, is as sensible as your asking the gentleman from New York if he supported Smith.

Mr. McCORMACK. The gentleman, as usual, errs. Mr. ZIONCHECK. Mr. Chairman, will the gentleman

from New York yield?

Mr. CULKIN. No.

Mr. ZIONCHECK. I will answer the other question that | the gentleman asked.

Mr. CULKIN. Mr. Chairman, in connection with this matter of great wealth, may I say for the purposes of the campaign the pot should not call the kettle black? I do not believe the field marshal of the Democratic Party, the Postmaster General, would be apt to regard as tainted money, money from any source; and I do note that, due to his industry and vigor in that connection, he has at least been able to get just as much money for the coffers of the Democratic Party as the Republican group has for the coffers of the Republican Party.

I think this covers my discussion of the situation, and I am

deeply grateful to the House for its attention.

Mr. ZIONCHECK. Mr. Chairman, will the gentleman yield for one question?

Mr. CULKIN. No; I am not going to yield again to the gentleman.

It is a far cry from a discussion of partisan ethics to a discussion of the necessity for a balanced Budget in America. I confess that when I first came to the House and when a discussion of the necessity for a balanced Budget came up, I had some doubt about the force of it.

The former Director of the Budget, Lewis Douglas, who to my mind is one of our great Americans, was a Member of this House. He dignified this House by his splendid ability and the charm of his personality. The President exalted him to the position of Director of the Budget, and subsequently he saw fit to resign.

I am not going to discuss the implication of that, but I do wish to discuss in that connection a statement he made not long since that out of an unbalanced Budget would come inflation, national disorder, internal strife, and finally the destruction of the Republic.

Personally, I was somewhat shocked by the suggestion. thought that perhaps in the pique, or in the abruptness of his parting with the President, perhaps he had overstated

But last night I was reading a biography of the younger Pitt, the great Earl of Chatham, and in that biography the writer quotes Pitt as saying that the French Revolution was caused by the fact that France had failed to balance her

You are familiar with the cataclysm of the French Revolution. The writer makes the statement that the reason why France got into that debacle of blood was because she failed to balance her budget.

Upon reading that authority I became convinced that out of inflation resulting from an unbalanced budget would come suffering to all the people, with a possibility of resulting disaster.

And so today I speak definitely for a balancing of the Budget and for a speedy attempt to put the financial house of America in order.

It is my definite notion that if this Congress fails to accomplish that, that hard and fast upon that procedure, hard and fast upon the public learning-and coming to know that the House of Representatives, the representatives of the people, will yield to this group and that group and thus fail to balance the Budget-will come a fascism, and popular government will cease to be in America. [Applause.]

But I particularly resent the slanders, if you please, upon this House and upon the past Congresses. It is claimed by various economic misfits and marplots—the Ickes and Tugwells-whom the distinguished occupant of the White House has put into high place, that past Congresses were given to the pork barrel.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. CULKIN. Mr. Chairman, I call attention of the House to the fact that the House of Representatives in the past has been more economical of the people's money than the type of spenders that have been developed during the present admin-

the man in the White House. The President is responsible for him. Honest Harold has spent and authorized to be spent more money in 1 year than the Congress did in 100 years for the purpose of rivers and harbors. I call the attention of the House today to the fact that this willful spending will destroy America and, more serious than that, will destroy popular government, because that is the guaranty of personal liberty in the United States. These bureaucrats have spent and engaged to spend on reclamation in this administration over \$1,000,000,000. I do not agree with all of the pipe dreams of Secretary Wallace, but I think he is a sincere and honest man. While he and Mr. Chester Davis have been endeavoring to bring agriculture within the range of reasonable production, so as to get a fair price for agricultural products, another department of the Government, over in the Department of the Interior, peopled by pseudo empire builders, has been bringing into production an additional 3,000,000 acres of land, at an ultimate cost of over a billion dollars. Under the acreage-retirement program of the Government we retired some 35,000,000 acres from production at a cost of something like \$2,000,000,000.

While the Department of Agriculture was doing this, and bent on that program, over in the Department of the Interior a group of willful men were preparing to bring into production 3,000,000 acres of land. I understand, of course, that the gentlemen from the West will say that I am from New York and that I am illiberal and that I do not understand. That is the usual line of talk. I am not going to be brushed aside by any such ancient and bewhiskered generality as that. I am going to tell my good friends from the Western States, and I am very fond of every one of them, that I am distinctly for the development and for rational irrigation of every part of the West which the consuming public may need or demand. [Applause.] I am for them and they know that, and applaud it, perhaps satirically, but that is the fact. I am in their corner whenever any project involves public need in the West. If they will come to me when their case is sound, I will fight for them until hell freezes over. But I am against the unnecessary, flagrant waste of public moneys for this purpose. That is what I quarrel with. It has been the fashion here to place responsibility for this thing upon the shoulders of Honest Harold. I am going to state the facts today because the national issue is coming closer—I am going to depart from the usual courtesy that hangs around discussion of the Presidential attitude-I am going to put the President into the picture, because the issue of this wild spending is definitely in the President's corner, and on his place in the coming campaign. Up in the Northwest we have this Grand Coulee proposition. The engineers estimate the Grand Coulee would cost \$714,000,000, amortized at 4 percent.

They changed that plan, and now the plan is, or was, to erect a dam 500 feet high, with a crest a mile long, and throw it across one of the valleys up there. The original breakdown on the P. W. A. called it power. Then they went to reclamation, and now they are back to power again. They now say that it is definitely power. I will tell you that, thus far, it is neither power or reclamation but just unbridled spending. I want to give you this one phase of that proposition. An authoritative writer in the Nation magazine, one James Rorty, was sent up there by his publication to look over the situation. He examined the records in the various county offices about the situation of the Grand Coulee development, and he found that out of 1,200,000 acres involved, 700,000 acres of the choicest land were held by the banks, trust companies, and by the utilities. The President now has allotted \$63,000,000 to this, and the House, may I say, is definitely particeps criminis. The House last year put its John Hancock on that proposition. What have we got? When they have spent the \$63,000,000 all they will have is a dam 177 feet high, with a 5,000-foot crest. This means, as Governor Pierce will tell you, absolutely nothing. It does not mean irrigation and it does not mean power. It is just a brutal spending of the people's money. Do you know what is back of that? Do you know what the dreams of the Northwest are? I have been in that Northwest and I know that istration. When I speak of honest Harold Ickes, I speak of country. I love its people; they are the salt of the earth. I want to be fair to them. What they intend to do under the leadership of a promotional group is to move the inhabitants of Kansas, Nebraska, and Iowa over into the Grand Coulee area, which God never intended should be used for anything.

Under this urge of the reclamation groups to make two blades of grass grow where none grew before, they decided to put this vast area into irrigation, in defiance of God's mandate and the needs of the Nation. Then, finding that the farmers of the country were in arms against that, they shifted their policy, and now, again, they call it power. But I say to you, Mr. Chairman, that up in the Grand Coulee country there is no one to sell power to except the coyotes and jack rabbits, and there never will be. America's population trends are falling, and the proposition of America's future increase in population is mooted. Please consider that out of 900,000,000 arable acres in America today we only have 250,000,000 in cultivation. The point I am speaking about now is that all this personnel, all this ability to create additional surplus crops, should not be in the Department of the Interior. It should be in the Department of Agriculture.

I had hoped that a distinguished and able Member on the other side, whose name I will not mention, would introduce a bill to put those activities in the Department of Agriculture, so that agriculture could hold the barometer on production, but he has not done it so far. I am going to do it, if need be, although I am more for the cause than I am for any personal glory in connection with it. Next year, when we elect a Republican House and a Republican President [applause], we are going to pass that bill. But in view of the fact that you distinguished gentlemen are going to be here until next year, I am asking you to do it now and get the benefit of it yourselves. I am going to leave the course open to you for a time.

There is another reclamation proposition that I wish to discuss. It is Caspar Alcova, Wyo., which was condemned by God for the purposes of man when he made the world. The hand of the potter shook when the Caspar Alcova area came into being, and in some mysterious way Nature, left to its own functions, because Nature is not always Godshot that area through with selenium, making it impossible to produce other than poisoned crops. The Caspar Alcova project, to which I have called the attention of the House and which I believe is proceeding illegally today in the State of Wyoming, should be stopped definitely, because the United States, out of its Treasury, is spending some \$27,000,000 for that hopeless proposition. Incidentally, may I say that it is doing violence to the rights of Colorado in connection with the use of certain waters.

Mr. RICH. Will the gentleman yield?

Mr. CULKIN. I yield.

Mr. RICH. Was that Caspar Alcova proposal approved by the Congress of the United States?

Mr. CULKIN. I do not believe it ever was.

Mr. RICH. It never has been.

Mr. CULKIN. No. I think that was taken out of the curative bill that was introduced here last year. I notice in the hearings reference to the Gila project, Arizona. That was put to work to the tune of some \$22,000,000, and then the soil group of the Department of Agriculture came to life, and feeling a new sense of their duty to the public, served notice upon the Reclamation Bureau that the soil in the Gila region was impossible of irrigation. Then, and then only, was it stopped.

These facts emphasize the necessity of the action for which I plead. It is immaterial to me whether the action comes from this or the other side of the House.

Mr. PIERCE. Will the gentleman yield?

Mr. CULKIN. I yield to my colleague, Governor PIERCE. Mr. PIERCE. Is it not true that now the Department of Agriculture has to make a report as to the advisability of agricultural products growing under these irrigation projects?

Mr. CULKIN. That may be so. Mr. PIERCE. That is true today.

Mr. CULKIN. But I have found they have been singularly unwilling to cross the trail of the empire builders in the Department of the Interior.

Mr. PIERCE. Early there was no attempt to find out whether the land would grow agricultural products or not.

Mr. CULKIN. In conclusion, I just want to call attention to another phase of this spending. At Bonneville, Oreg., on the lower Columbia, is a power and navigation development. I have never quarreled with that proposition. It had the vigorous support of General Martin, our peppery former Regular Army colleague, who was a Member of this House. It had the support of the brilliant and able gentleman from Oregon, Mr. Mott. It seemed to me to be definitely a whole-some proposition. It has no reclamation in it, but it does have navigation and power. But the weird thing about it is that upon the creation of this power, which after all comes out of the capital of the people of the United States and its taxpaying powers, the Bonneville group intend to move industries from the East and from the Middle West to that

In other words, after having taken the money which was created and earned and paid in the form of taxes to the Treasury by these big Eastern and Midwestern States, they then intend to commit the crime of civic grand larceny by moving our industries bodily out to this power site. May I say that the same proposition lies back of the Grand Coulee as it is now. On the face of it, however, it just means \$67,000,000 worth of dam. For reclamation purposes it will cost \$400,000,000 to complete.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. CULKIN. There is one phase of the picture on the Columbia River to which I should like to call attention. afraid I have trespassed too much on your time already. I do want to call attention, however, to the destruction of the salmon fisheries in the Columbia River. That is a matter of vital concern not only to the Northwest but to the country at large. At the Bonneville Dam fish ladders and elevators are being constructed.

Sometime ago I called attention to the fact that the belief of conservationists was that the \$10,000,000 annual pack of the salmon industry in that country was doomed. I called attention to the fact that the elevators that were constructed at the foot of Bonneville Dam were all very fine for the adult, sophisticated salmon who would come up, ring the bell with their tails, and then go up over the falls in the elevator, but the younger, unsophisticated, uneducated salmon, the fry passing on to the sea would be caught in the swift turbines and killed. This got into the press of the Northwest, and I think I got more abuse than I ever did before, and in my day I have had my full share of it. However, I received a letter from a good woman up there in the Columbia River country, Home Valley, Wash., which I think is interesting enough for the House to hear:

DEAR SIR: You are the first man up there where all the mess is dished out who has dared to openly defend our west coast's third largest industry, commercial fishing. We commercial fishermen and wives sit with bated breath worrying and wondering how we can make our livelihood after all this dam business is finished.

It is a safe bet that your guess is as good as these so-called fish experts. And our guess is the same as yours, that building these huge power projects kills a \$10,000,000 industry, and 28,000 or more people will be on the unemployed list.

Then she goes on to state this, which is a classic:

We know fish swim in schools, but we also know that college professors cannot teach these schools of fish. Nature is a funny thing, and, as I understand, a lake will be formed above these dams; scavenger fish live in lakes and eat salmon fry. Besides baby fish go down stream with a swift current, spring freshets, so how will they be guided into a lake to the sea?

Taxpayers' money build dams at 50 cents per hour. And a series of the sear that the search of the

Taxpayers' money build dams at 50 cents per hour. And a large industry may be killed which furnishes a livelihood for 28,000 people. Aside from the fact that commercial fishing is the means of our making a good livelihood we produce the same as the farmers. Our produce is as full of all the vitamins as the farm produce. farm produce.

farm produce.

So we hatch millions of salmon for each salmon we catch, and we feel it is time someone is giving us some protection and help. So we wish to thank you for giving us your aid.

Taking care of the salmon that spawn in the headwaters of the Columbia River is a big guess. So far these Royal Columbia silver salmon that run in the river from February to the last of May may have never been hatched up in a man-built hatchery. They

eat their fill of sardines and fatten up at the mouth of the Columbia River and head to British Columbia, the headwaters of the river, to spawn. Steelhead, white-meated tube, or chum salmon, blue jack, a poor grade of pink salmon, have been hatched; but the Royal Chinook salmon, what will become of it when the dam business is all over? I have been on the river all my life, and my husband has fished 23 years and my father 50 years. Tell me, is our livelihood being thrown away to fatten the Mellon babies?

Honest Harold Ickes treated this matter with a good deal of humor. He thought it was all awfully funny.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 3 additional minutes to the gentleman from New York.

Mr. CULKIN. He thought it was a wonderful thing to build that dam at Bonneville. In this book, Back to Work—on page 117 of this book, a book written by his ghost writer, because he could not write a book—I am convinced of that from my own diagnosis of his mental status—is stated:

An interesting feature of this dam will be the construction of giant fishways for which the sum of \$3,200,000 has been provided as an aid to the salmon to scale the 54-foot dam when they feel the urge to go to the upper stretches of the river on their honeymoons.

[Laughter.]

He is the gentleman to whom the President has turned over the power that belongs to this Congress.

What I speak for, Mr. Chairman, is economy and the elimination of the political spending which is bleeding the Nation white. I speak against any development which will prejudice agriculture, and particularly prejudice the men in agriculture who are now on the land in these Western States. I warn you on the other side of the aisle and you gentleman from that particular section against the people's wrath when it appears that you are permitting the Interior Department to develop these huge areas while they themselves have no present market for their products. I think the reasoning of this—the iron logic of it—will strike into your constituents' souls and that on election day they will speak in thunder tones against your return to this House. I thank you for your very patient hearing. [Applause.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 6 minutes to the gentleman from New York [Mr. Reed].

Mr. REED of New York. Mr. Chairman, I ask unanimous consent to extend my remarks and to include therein some official figures from the Department of Commerce.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Chairman, it is unfortunate that not infrequently when a Member takes the floor to present facts relating to some phase of our economic life, he is suspected of partisan motives. This often results in scant heed being paid to the facts revealed. Great as partisan prejudice may be against the policy of a protective tariff, it would seem that the realities, so abundantly fortified by experience and by facts, should be sufficient to overcome such prejudice.

I am sure that the thoughtful Members on this floor would not seriously contend that it would be beneficial to American labor at this time to have unrestricted immigration, especially with the Orient. Do you believe that it would be detrimental or advantageous to American labor to permit the working people of the Orient to enter the United States without restraint to bid against workers for jobs? There are few Members on this floor, if any, I venture to say, who would support such a proposal. The recent action taken by the Congress—1934—restricting Filipino immigration, even fixing the quota as low as 50, is evidence that you sense the danger to labor and to agriculture from immigration.

But while you object to unrestricted immigration of cheap oriental labor, yet many Members are indifferent to the importation of products that displace our labor in the factory and the field.

I maintain that to let in the foreign goods is more injurious to the Nation as a whole than to let in the foreign laborers themselves. I am opposed to the admission of either. To let in the foreign workers instead of their products would at least give to our Nation the spending power

of the pay roll, which in turn would create, as a result of such expenditure, a series of home markets.

It is an indisputable fact that the wage scale and the standard of living in the United States are higher than they are in other countries, especially higher than they are in Asia and the tropical countries. Can it be successfully controverted that when our domestic market is opened to the unrestricted competition of the world, such as I have described, that our factory hands and our farmers who are employed are either displaced or forced to produce at a lower cost? The open-market principle leads inevitably to this result: A diminishing standard of living until it reaches that of the worst-paid laborers that exist on the face of the globe. I cannot state the matter more clearly nor more succinctly than to use the words of Andrew Jackson in support of a tariff. He said:

It is time we should become a little more Americanized, and instead of feeding the paupers of Europe, feed our own, or else in a short time, by continuing our present policy, we shall all be paupers ourselves.

[Applause.]

Let me remind my colleagues that your constituents, who toil in the fields where soybeans or cottonseed are produced, know only too well that they have a rival in countries where the standards of living of western civilization are unknown. To compare the standards of living of the people you have the honor to represent with the standards of living of those who live in the tropical and oriental countries, who are invited to compete with your constituents, and then to assert that the free and unrestricted flow of these foreign products into our home market does not injure the American farmer is a position not supported by the facts.

We do not want to put our farmers who raise soybeans or who raise cottonseed in competition with oriental labor. Neither do we want our farmers who are engaged in dairy production to be required to compete with imported edible oils and fats produced by cheap tropical labor. We do not want foreign fats and oils to displace our domestic dairy products in the American market. [Applause.]

It is estimated that if the American farmers were given the opportunity to produce the fats and oils now being imported from foreign countries they could put 15,000,000 or 20,000,000 acres now displaced by foreign imports under cultivation.

The American dairy farmer, the soybean producer, the cotton farmer have a common interest in protecting the domestic market from the importation of fats and oils. The volume of these competing products, now entering our ports in ever-increasing quantities, is destroying a market which our farmers cannot afford to surrender. The home market, the best cash market in the world, is their last line of defense. The danger to our home market from the importation of fats and oils is fully revealed and painfully demonstrated by the following official figures:

Fats and oils imports for consumption

HARM OF THE LOT AND		11	months endi	ng Novemb	per	
Commodity	Unit	Unit Quantity		Value		
		1934	1935	1934	1935	
Whale oil	Gallon Gallon Gallon Gallon Pound	2, 638, 120 1, 375, 661 3, 372, 757 415, 749 30, 922, 740		\$997, 719 366, 486 2, 119, 665 183, 212 1, 154, 527	\$669, 259 720, 075 2, 814, 670 72, 353 12, 551, 077	
Sunflower-seed oil: Edible	Pound Pound	6, 792, 676 7, 489, 806 152, 874, 340	34, 754, 244 119, 828 263, 046, 629	295, 063 262, 530 3, 858, 884	2, 058, 593 8, 004 7, 399, 900	
Edible	Pound Pound Pound	952, 521 11, 793, 174 6, 884, 939 12, 640, 657	7, 170, 792 44, 844, 157 50, 072, 448 136, 737, 683	28, 855 300, 497 99, 337 312, 262	255, 748 1, 711, 851 731, 826 3, 233, 154	
Sesame-seed oil: Edible	Pound Pound	65, 627 600 344, 885, 266	342, 837 11, 088 408, 387, 268	6, 990 46 4, 094, 382	27, 665 662 8, 699, 072	
the Philippines)	Pound	297, 310, 911 1, 923, 712	308, 273, 752 14, 119, 992	6, 983, 521 66, 187	10, 930, 308 627, 386	

Source: Monthly Summary of Foreign Commerce of the United States.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 1 minute to the gentleman from Washington [Mr. ZIONCHECK].

Mr. ZIONCHECK. Mr. Chairman, the gentleman from New York [Mr. Culkin] left the inference that if we did not balance the Budget we would have a revolution in this country. He used as his authority the younger Pitt and Lord Chatham in some ancient book about the French Revolution. I should like to call his attention to the fact that those people knew nothing about balancing the budget back in those times. Did not even hear of a budget. If there was any budget to balance, it was the budget of their stomachs. When those hungry, starving people asked for bread, the rulers asked, "Why not give them cake?" and threw rocks at them instead. Rocks being heavier than bread overbalanced the budget-they were not satisfied-revolution came about as the culminating effect. I am just interpreting history for the benefit of the gentleman from New York. [Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 20 minutes to the gentleman from Illinois [Mr. Sabath].

Mr. SABATH. Mr. Chairman, I am not going to talk politics today. I am going to try to give you valuable and important information relative to the investigations that have been going on since July 1934 by a select committee of the House.

Twice before I have called the attention of the House to the abuses that existed in the default of bonds and securities, and in our preliminary report the committee gave the House and the country a great deal of valuable information. I stated then, and I repeat now, that your committee investigating these so-called bondholders' "protective" committees. which I designate as "grafting" rather than "protective" committees, showed that these committees have under their control some \$20,000,000,000 worth of bonds that are owned and have been paid for by nearly 5,000,000 of our most deserving citizens in the United States. With the 1929 debacle thousands of these issues defaulted, and the houses of issue. investment bankers, mortgage companies, and title and guaranty companies, in conjunction with and under the guidance of outstanding law firms in the United States, obtained control and management of these properties and devised a scheme to bring this about by the formation of so-called protective committees.

The old railroad scheme in reorganizations or bankruptcies was followed. Protective committees were formed, composed of officials of the firm, their clerks, high-powered salesmen, and agents. The names of prominent citizens were added for window dressing, for the sole purpose of enabling them to more easily obtain the deposit of as many outstanding bonds as possible. The tremendous fees charged and obtained are turned over to the house of issue, trust companies, mortgage companies, and banks.

After the formation of these committees in the manner I have just indicated, voluminous deposit agreements would be prepared in highly complicated legal verbiage, by the signing of which the bondholder forfeited all his rights and the protective committee gained full and complete power to do as it pleased with the property. They send out communications inviting the bondholders to deposit their bonds with these committees, assuring them that they themselves, and by themselves, could not protect their interests, but that the committee which had been formed would safeguard their rights and interests.

I may say that I learned this morning during a hearing of the committee here in Washington that there are some very clever lawyers in Philadelphia. They are not slow up there. It is practically impossible for the layman to understand these agreements, and when the widows, orphans, executors, administrators, and organizations that have invested in the bonds send them in, they unknowingly part with all their rights and interest. Thus the bondholders' committees obtain absolute control to do as they please.

Mr. Chairman, there are about 3,000 of these committees, some of them controlling over 400 pieces of property to the value of many hundred millions of dollars.

A large number of law firms have been engaged in organizing protective committees in order to represent them, and

banks have done likewise. There are, however, a handful of outstanding and Nation-wide committees, controlling at least eight to nine billion dollars worth of bonds in default.

OVER \$600,000,000 IN FEES AND EXPENSES

Prominent among these are the Roosevelt committee, the Straus committees, the Pounds committee, and others sponsored and dominated by the Detroit Trust Co., Manufacturers Trust Co., the Chicago Title & Trust Co., Halsey, Stuart & Co., the Central Trust Co. of Chicago, the Girard Trust Co., Hayden Stone & Co., Spencer Trask & Co., E. H. Rollins & Co., the American Bond & Mortgage Co., the Prudence Co., and many others. I might point out that the Chicago Title & Trust Co. is the most domineering of all, acting as trustee, receiver, depository, or manager in thousands of properties, and the fees obtained and charges levied against these properties will amount to many millions of dollars. In the near future I will submit a report outlining in detail the activities of the various committees, the fees they have received, and the millions of dollars in fees and expenses which they will receive when the final reorganizations or sales of properties have been effected.

If we may assume that the committees will be liberal to the extent of reducing their usual charge of 5 percent to 3 percent, based on the nearly \$20,000,000,000 worth of bonds now outstanding, in excess of \$600,000,000, will accrue to these committees in fees and expenses, and remember also that these committees, acting presumably in a protective capacity, are gaining control of thousands of the finest buildings in the United States, as well as theaters, hotels, manufacturing,

industrial, and utility companies.

Mr. Chairman, I charge without fear of successful contradiction that these committees are controlled and dominated by trust companies, banks, and other financial institutions, and that this has developed into the greatest racket of all times.

There is a combination acquiring apartment buildings, some of them worth as much as \$10,000,000; another acquiring hotels, another theaters, and others various large industrials throughout the United States. Due to the advantages of section 77B of the National Bankruptcy Act, they are not only permitted to remain in control as a committee but to continue such control for 10 or 15 years, through the medium of voting trusts created with the sanction and approval of the courts.

Mr. MAPES. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Michigan.

Mr. MAPES. I interpret the remarks which the gentleman has just made to mean that certain special interests are trying to get control of the big apartment houses, other special interests are trying to get control of hotels, and other special interests theaters, and so on?

Mr. SABATH. The gentleman is correct.

Mr. MAPES. Will the gentleman in the course of his remarks put in the Record who those special interests are so that the country may know?

Mr. SABATH. Yes. The select committee is today conducting hearings in Washington. Hearings were held in Chicago, New York, Detroit, Boston, Washington, St. Louis, Milwaukee, San Francisco, and Los Angeles, which substantiate what I say about these special combinations. Through the press and by other means we have brought before the public a true picture of willfully deliberate and dishonest mismanagement of properties by these protective committees. We have shown where false reports and statements given to the bondholders forced them to dispose of their bonds for a few cents on the dollar.

In the examination of witnesses at a hearing of our committee this morning, in the matter of the Roosevelt Hotel of Philadelphia, it was developed that the valuation placed on this property was \$940,000, and that a sale has just been approved for the sum of \$120,000. To whom was it sold? Why, to the five vice presidents of a certain bank, the Girard Trust Co., which advanced \$70,000 to the committee in order to pay taxes, expenses, fees, and charges against the property. In this particular case the bondholders received three-fourths of a cent on a dollar for their gold bonds. The committee

which controlled this property, as well as a number of others, and approved the sale had previously paid to an opposing committee which blocked its acquiring the deposit of bonds and full control the sum of \$70,000, representing fees and expenses of this opposing committee.

Mr. MAPES. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Michigan. Mr. MAPES. I think every Member of the House is interested in the work of the committee, which is headed by the gentleman from Illinois [Mr. Sabath]. I am wondering if the gentleman's committee will be able to recommend concrete legislation that will afford relief to these millions of bondholders. The difficulty seems to be that these bonds are distributed all over the country in such small amounts that the individual bondholder himself does not feel justified in going to the expense of retaining lawyers to look after his own individual interest so that he may be protected. What relief does the gentleman's committee suggest in that regard?

Mr. SABATH. We prepared and introduced a bill in the last session of Congress. We appeared before the Banking and Currency Committee, but unfortunately our bill did not receive favorable consideration. In the hope of obtaining action on this bill we revised it and put it in as an amendment to title VIII of the National Bankruptcy Act, affecting sections 74 and 77B, which provides for the appointment of a conservator, leaving it to the President to select or designate the bureau or department which is to act as conservator. In this way we hope to eliminate the excessive charges, vicious practices, and untold crimes which are being committed against some 5,000,000 bondholders in this country.

Our committee investigation discloses that since September 1934, after the passage of section 77B, there were filed up to January 1, 1935, 287 cases, and up to January 1, 1936, there were filed a total of approximately 2,767 cases, of which only 293 were disposed of; the total involved is upward of \$10,000,000,000

We have worked for 17 months and we have Philadelphia and New York committees before our committee now, and I am now away from these hearings to give a partial report of our activities.

This bill was reintroduced yesterday. I believe it is a good bill and I appeal to the Members who are now present to cooperate with our small select committee and to help us obtain favorable consideration of this measure. I shall put in the Record a short résumé of what this bill seeks to do.

The bill provides that a Federal agency be established to act as a conservator in all 74 and 77B proceedings in bankruptcy.

The conservator shall act as sole receiver, custodian, or trustee, with compensation limited to actual expenses. Attorneys of conservator may act as its counsel when acting as trustee, receiver, or custodian. This procedure will materially minimize the costs of reorganization, as well as enable the conservator to have full knowledge and control over the entire proceedings and estate.

The conservator may by rules regulate the protective committee and its personnel-it may prescribe the provisions and limitations of deposit agreements-and the solicitation of proxies, assents, deposits, consents, and so forth.

The conservator may itself propose a plan of reorganization or proposal for a composition or extension, and must approve all plans or proposals by others, before it is submitted to the court, as well as approve all fees, expenses, and compensation in all such reorganizations.

The court, or upon suggestion of conservator, may refer any issues, either specially or generally, to a special master. The salaries of masters are limited to no more than \$7,500 per annum-present fee system abolished.

Provisions for a fine of no more than \$5,000 and imprisonment for no more than 5 years is made for the willful violation of any provisions of this act.

This bill includes any reorganization, composition, or extension which involves liabilities in the amount of \$50,000 or over, evidenced by at least 10 credit instruments owned by at least 10 persons.

In addition to present powers the Reconstruction Finance Corporation is authorized to make loans to finance such reorganizations, compositions, or extensions if approved by the conservator.

Loans by the Reconstruction Finance Corporation to mortgage companies and other financial institutions are conditioned upon the agreement that none of the funds so loaned will be used in such reorganization, composition, or extension unless approved by the conservator.

Referees are placed upon a salary basis to be fixed by the respective district judges instead of on the old fee system. All fees in excess of salary revert to the Treasury of the United States.

Originally, Mr. Chairman, some of the judges looked with displeasure upon our work, thinking we were interfering with the rights and prerogatives of the judiciary, but I am, indeed, pleased to say today that, with the exception of very few, the judges are now approving our work, and are cooperating and assisting us. These tireless working judges have the sincere appreciation and respect of our committee, and are worthy of the blessings of the distressed bondholders.

We have called upon many of the judges with the view of safeguarding the rights of these bondholders. We have appeared in court and opposed fraudulent sales and fraudulent reorganizations, day in and day out, and we have saved thousands of these buildings and properties for the bondholders. I may say that since this committee started its investigation the value of these defaulted bonds has increased from 50 percent up to 1,500 percent in many cases. [Applause.]

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. SABATH. In many cases, Mr. Chairman, bonds were selling for 3 cents or 5 cents on the dollar, but are now selling for 50, 60, and 75 cents, and some as high as 95 cents on the

Oh, I wish to God we could reach all of these committees and get at them. We have recommended prosecutions, and the members of some of these committees have already been indicted, and there are yet hundreds that should be indicted. If we can bring this about, we are going to try to do so.

Mr. MAPES. If the gentleman will yield for just a moment. I may say I have not had a chance to read his bill, but I feel generally like saying more power to him and his committee.

Mr. CHRISTIANSON. Mr. Chairman, will the gentleman yield for a question?

Mr. SABATH. Yes.

Mr. CHRISTIANSON. Under the terms of the bill referred to, who fixes the salaries that the receivers are to get?

Mr. SABATH. The conservator will act as a trustee or a receiver, and will only be permitted to charge the actual

Mr. CHRISTIANSON. The salary is fixed by the bill itself? Mr. SABATH. Yes; and the masters and the trustees will receive \$7,500 a year instead of asking for \$100,000 for 6 months, or 9 months' work, as was done in the Paramount case in the city of New York.

Mr. CHRISTIANSON. Then, as I understand the gentleman, the judge will have no discretion in respect of fixing the salary?

Mr. SABATH. In allowing fees, no. The conservator will only be permitted to make such charges as are actual costs, and we will eliminate the practice whereby some judges allow influential houses of issue and law firms to dictate who the receivers shall be and how much fees they shall receive.

I think this is legislation that is absolutely needed and required.

Mr. CHRISTIANSON. I am in sympathy with the gentleman's point of view.

Mr. SABATH. Because, if something is not done, God only knows what will happen in the future, because people are beginning to lose confidence in our courts and our legal procedure.

I may give just one illustration. Four weeks ago we were in Boston, and by chance we penetrated the case of the Fisk Tire Co., where there was \$45,000,000 of stock and \$20,000,000 of bonds. There were reverses, and in 1931 they went into receivership. Inventories taken of this great institution showed that it was worth only about forty-odd-million dollars. The protective committee for these bondholders and stockholders approved a sale of this \$40,000,000 worth of assets, which were all of the assets of the Fisk Tire Co. for \$3,000,000, which included \$600,000 in cash on hand. The bondholders got 3 cents on the dollar and the stockholders got 1 cent on the dollar. Within 18 months the inside group that bought this outfit for \$2,400,000 made over \$2,000,000 net profit in the business. They charged against the bondholders lawyers' fees of over \$600,000.

The bondholders and stockholders were wiped out and the new bondholders who bought the bonds for 3 cents and the stock for 1 cent on the dollar became the owners of this property. We have hundreds of such abuses, with similar conditions prevalent all over the United States which we are

trying to eliminate.

[Here the gavel fell.]
Mr. TAYLOR of Colorado. Mr. Chairman, I yield to the gentleman 2 additional minutes.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I yield.

Mr. McCORMACK. Will the gentleman state in that connection whether or not there was a recapitalization of that company by those who purchased it for about \$3,000,000; and if so, for what amount it was recapitalized?

Mr. SABATH. Within a period of 4 weeks they reorganized the properties for which they paid \$3,000,000, with \$600,000 cash on hand, which would make a net of \$2,400,000, and recapitalized it for \$13,000,000, and within 18 months they made a clear profit of over \$2,000,000.

Oh, I must not forget this: The chairman of that committee is none other than the vice president of the National Economy League. Now, if he ever practiced economy, I have not seen it. I am also told that he coined the phrase "raw deal." Well, if he did, by the eternal heavens, he had something to go by, for he knows what a raw deal is. [Laughter and applause.] That certainly was a "raw deal" where the bondholders got three-quarters of a cent for every dollar and received a certificate of the cremation of their bonds. [Laughter.]

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. SABATH. Yes.

Mr. CHRISTIANSON. In the face of the disclosure which the gentleman has made, I hope his bill goes further than the mere limitation of the salary of the receivers.

Mr. SABATH. Oh, it goes further than that.

Mr. CHRISTIANSON. I think many Members of the House would like to know the scope of that gentleman's measure.

Mr. SABATH. It goes as far as the Constitution will permit without interfering with the rights and privileges of the courts.

Before I conclude I want to say this: We have evidence wherein at least a thousand pieces of property—prime buildings, hotels, theaters, and so forth—have been sold for 4 or 5 cents on the dollar; properties that never should have been foreclosed; that never should have gone into the hands of receivers; and that never should have been taken over by these grasping, thieving, protective committees.

Many Members have asked me to acquaint them with the results of our investigation of Washington properties. In the Wardman Park reorganization of this city we found a voting trust estate would terminate on November 1, 1935, but just prior to that date proxies were dispatched to the holders of the original bonds with the request that the voting trust be continued for another 3 years.

The trust agreement was so worded that unless a majority decided against the continuance it would automatically

be extended for another 3 years, with the continuing management of properties valued at approximately \$30,000,000 and the continuance of the fees and expenses of this trusteeship.

In the Mayflower Hotel reorganization the hotel is controlled by three voting trusteeships and is under the management of the American Security & Trust Co., who receive 1½ percent of the hotel receipts as their fee. Fees totaling approximately \$700,000 for attorneys and others were pending before the court, but we have recently been informed by the court auditor that he has recommended that these fees be reduced to around \$125,000 and the complete exclusion of any fees and expenses to the three committees, which is a reduction of around 80 percent.

The Shoreham Hotel property is similar in a way to these other Washington properties. There were three receivers, and when it was reorganized there were still three voting trustees. The three receivers collected \$100,000 and the bondholders' committee \$100,000 in fees. The owner of the hotel, who was permitted to acquire all of the equity for only \$61,000, has only to use the income of the hotel to reduce the bonds or until it can be refinanced a few years later and he will then have this valuable property for the small sum of \$61,000 and at the same time drawing a \$10,000 salary per year in addition to his other business.

Our committee has made recommendations in many instances for criminal prosecution and has supplied the Bureau of Internal Revenue with information on which thousands of dollars have been recovered or are in the process of recovery. Three claims come to my mind now, one for \$80,000, one for \$62,000, and one for \$40,000. These are sums which will be recovered 10 times over by the Government solely through the results of our investigations.

In a letter from the Commissioner of Internal Revenue was the statement:

I wish to take this opportunity to express to you my appreciation of the spirit of cooperation displayed by the committee and members of its staff in making available to the Bureau information pertaining to the question of income-tax liability, not only in the case of this particular individual but also in numerous other instances of which you are undoubtedly aware.

Our committee has stopped many of the crooked and dishonest reorganizations in the courts by supplying the courts with information that reports submitted to them were fraudulent and that evidence was withheld. Unfortunately, while Congress has passed 77B and added a great deal of work to the courts, we have not provided to assist them in investigating the resultant collusive reorganization suits that have been filed, and the judges have been forced to rely upon the recommendations of these protective committees and their lawyers.

We are endeavoring to safeguard the awards made to minors for permanent injuries which send them through life cripples in one form or another; to the end that the rainy days prepared for by the aged; for the protection due youngsters provided for them by their fathers and mothers; the investments for the benefit of the incompetent; for the investments made by fraternal organizations and labor unions which were intended to provide a margin of safety for their pension funds and charitable work; for the orphanages and institutions for the indigent. We further seek to protect the disabled veterans who invested their savings and compensation, to the end that the men who provided during their lifetime for their wives and children and who bought these securities as authorized legal investments be protected. [Applause.]

I would be remiss if, in concluding, I did not extend to the members of this small committee my sincere thanks and appreciation for the great aid and assistance they have given me. I also particularly want to thank my colleague, Mr. Wilcox, of Florida, for his splendid cooperation in handling the municipal-bond investigation in his own and other southern States; and to express my appreciation of the work of volunteer attorneys in the various committee offices, who

have served without compensation. These attorneys are not members of the bar associations which have refused to cooperate with this committee. [Applause.]

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, for ability to make incorrect, inept, inaccurate, and thoroughly wrong statements I should award the gold medal to the Secretary of Agriculture, Mr. Wallace. [Applause.]

Last year he insulted New England by telling what weaklings have grown up in that region, the loss of pep and the backbone of its early ancestors, and suggesting that we move out of New England and let other folks come in. Nobody has moved on the advice of the Secretary of Agriculture.

I understand that night before last this same distinguished Secretary of Agriculture delivered a radio address, and I quote the language which he used in reference to a recent Supreme Court decision. He used these words:

The greatest legalized steal in American history.

Mr. Chairman, any official who will make a statement of that nature about the Supreme Court ought to be impeached, or certainly haled before the Supreme Court for contempt. If he has not the decency and sense to apologize, he ought to be the one to "take a walk" rather than some other folks whose names I have heard mentioned here recently. Walking would not be quick enough to get him out of office. He ought to go on a sprint, just as fast as the President could retire him.

The Supreme Court decision to which he referred was brought upon the administration by their ill-conceived legislation. He, more than any one man probably, is responsible for the foolish, ill-advised, unconstitutional legislation that brings down the hatred and digust of Mr. Wallace on the Supreme Court. Here is what is said about it in a leading editorial today:

To call such a tax refund a steal comes with peculiarly poor grace from an administration which has perpetrated the greatest steal in the history of the country, the appropriation of \$2,000,000,000 of gold in the Federal Reserve banks and the forcible seizure of all privately held gold; but there is nothing to be gained by this sort of retort. Mr. Wallace, by his intemperate and misleading utterance, has still further inflamed ill will. This helps no one, least of all the Roosevelt administration.

I, for one, hold no brief in behalf of the present administration, far from it; but if the head of the Nation will accept the advice of a modest, retiring Republican, I suggest that the President of the United States begin cleaning out his Cabinet, from the Secretary of Agriculture up or down. I cannot conceive of anyone in official life, particularly a member of the President's Cabinet, having the nerve. the gall, and the ignorance to say that the Supreme Court brought about the greatest "legalized steal in American history."

I yield back the remainder of my time.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from Washington [Mr. KNUTE HILL].

Mr. KNUTE HILL. Mr. Chairman, this is neither the time nor the place to reply to the annual tirade made by the gentleman from New York [Mr. Culkin] against reclamation in general and the Coulee Dam in particular. When that matter comes up we will be there to defend it, and, in the words of Shakespeare:

Lay on, Macduff: And damn'd be him that first cries, "Hold, enough!"

Just briefly he made one false statement among the many misstatements. He said that the American people and the easterners were going to pay for this dam; and I am here to tell him that if he will read something about the Coulee Dam he will know that it is going to pay for itself in 30 or 40 years, and the people of the East are not going to be taxed one cent.

Mr. CULKIN. Mr. Chairman, will the gentleman yield? Mr. KNUTE HILL. I will not yield. Read the record and the gentleman will know something about it.

The CHAIRMAN. The gentleman from Washington re-

fuses to yield.

Mr. CULKIN. Mr. Chairman, the gentleman refers to me. Mr. KNUTE HILL. I refuse to yield. I will meet the gentleman when the matter comes up.

Mr. CULKIN. The gentleman should be courteous or I shall ask that the words be taken down.

Mr. KNUTE HILL. Well, take them down if there is anything to take down.

The CHAIRMAN. Does the gentleman from New York demand that the words of the gentleman from Washington be taken down? Will the gentleman indicate the words he refers to?

Mr. CULKIN. I might compromise, Mr. Chairman, by asking the gentleman again if he will yield.

Mr. KNUTE HILL. I have only 20 minutes' time. The time will come when we will meet on this floor with reference to that question, and then I shall yield.

Mr. CULKIN. Does the gentleman mean that he will yield now?

Mr. KNUTE HILL. No; I will yield then, when the matter comes up.

Mr. CULKIN. Well, please be as fair as possible. Mr. KNUTE HILL. The gentleman from New York is something like the people who talk about the Constitution and the Supreme Court, but who have never read anything about it and know nothing about it.

Mr. Chairman, a year ago a so-called "grass roots" convention was held in the Midwest. It was heralded far and wide as a "save-the-Constitution convention." An old friend of mine with whom I grew up on an Illinois farm, who still farms and has been a lifelong Republican wrote me:

You remember, Knute, the weed known as quackgrass, which unless relentlessly fought, would spread all over our farms and choke out all nourishing crops. Well, those assembled at the recent convention were quackgrass-root Republicans. Real Lincoln Republicans—and my father was a Lincoln Civil War veteran—were not present at that convention.

Today the quackgrass-root Democrats, masquerading under the name of Jeffersonian Democrats, are gathering under the leadership of that political shyster, Eugene Talmadge, at Macon, Ga., to again save the Constitution. It is proper, therefore, that we consider the Constitution and our threefold Federal Government.

I am supremely pleased today because one of my cherished ideals is nearing realization. I have since early manhood championed the proposition that the Federal courts should be restricted to the functions expressly stated in the Constitution. It is no new idea with me. I hold here in my hand a Walla Walla daily paper of August 24, 1924, in which my views, expressed at that time as a candidate for Congress, cover somewhat the same ground as those so admirably expressed yesterday by our able colleague from Texas [Mr. Cross]. I want to say right here to the gentleman from the solid South, like Abou Ben Adhem, may his tribe increase in his sunny clime. And it is heartening to find advocates of this American constitutional doctrine also in the somewhat conservative East: Congressman Lewis. the little giant from Maryland; Congressman Sisson, the unafraid from New York; and others who are not to be cowed by the phrase "tearing up the Constitution." We are all as loyal to our oath as those who merely give lip service. It is not my purpose to cover the ground so ably handled by my colleague from Texas [Mr. Cross]. Read his speech carefully and be convinced. Briefly he showed that our system of government was framed upon that of our mother country, England, and that there no courts have power to declare acts of Parliament unconstitutional. Indeed, the last one that attempted it was led by Chief Justice Tresillian, who was beheaded for his impudence and his colleagues exiled to France. Has England suffered because of keeping

its courts within bounds? No other important civilized country permits its courts to usurp legislative functions. But it is argued that we have a written Constitution and that the powers of the Federal Government are limited to those expressly enumerated. Exactly so. And when they say that Congress cannot delegate its authority and that the Executive has limited authority, I would inquire if the judiciary is not also of the three coordinate, independent branches of the Federal Government, and where in that whole magnificant document is the express-the expressed, mind you—power given to declare acts of Congress unconstitutional? For 15 years I taught history, civics, and political science in the public schools of the State of Washington. At the beginning of each school year I made a standing offer of \$5 to each and every student who could find such expressed authority. They read it diligently-which was a desired result-but never a one came to claim the \$5. I now make the same offer to each and every Member of Congress, with the added incentive of increasing the amount

Mr. RICH. Will the gentleman yield for a question? I want to ask where you are going to get the money? [Laughter.]

Mr. KNUTE HILL. When the Republicans get into power probably I will get the money. [Laughter.]

In the language of the Scriptures, "Go thou and do likewise." Read your Constitution and know it. Moreover, as has been often stated, and you can consult the diary of James Madison for proof, some delegates of the Constitutional Convention of 1787 attempted four times to insert a judicial veto in the Constitution and as many times it was defeated by the decisive vote of 8 to 3, there being only 11 Colonies represented and each Colony voting as a unit.

There are three distinct, coordinate branches of our Federal Government, each in its particular sphere separate and independent of the others, except for the expressed authority vested in the Executive to veto laws of Congress, which in turn may be overriden by a two-thirds vote by each body. The Congress is to legislate—read the article and section; it is clear and definite. The Executive is to administer and enforce the laws properly enacted. The judicial is to interpret the law and try cases under the law. This in no wise gives it authority to tear up the law and throw it in the waste-paper basket. I have often been charged with attempting to destroy the Federal courts. Nothing is further from the truth. I simply insist on limiting them to the functions expressed in the Constitution. In an overwhelming majority of the cases coming before the courts they merely try the cases on their merits, see if the law applies. If it does not, the suits are dismissed; if it does, judgment is rendered accordingly. There is an overabundance of duties for the Federal courts under the laws without usurping the functions of Congress by judicial legislation.

In this matter I want it distinctly understood that I have a high regard for the members of the Court, just as high, but no higher, than for the members of the other two coordinate branches of the Government. I have heard the members of the Supreme Court referred to as "the nine old men." This is regrettable. Old age should be the crowning glory to men and women. And I am here to say that one of the oldest members of the Supreme Court, Justice Brandeis, is, to my mind, the grandest man in America. Nor is it jealousy. Of course, we can worry along in this famous old Capitol, used for a century or more by our forbears, and the President can enjoy the distinction of living in the White House, so filled with memories of our departed Executives, while the nine men, comprising the third branch of our Government, hold court in that magnificent \$10,000,000 marble palace yonder across the park. But that is no cause for envy. However, I have often wondered as I daily pass the Supreme Court Building, why these signs are found on the walks surrounding this block: "No roller skating allowed." Can it be that the members of this Court, which held the child-labor law

unconstitutional and thereby doomed thousands of little boys and girls, whose God-given inheritance is air and sunshine and education, to the drudgery of factories and mines, that the meditation of this Court must not be disturbed by the patter of little feet?

No; I for one am not jealous of their sumptuary surroundings, even though they rival those of the Pharoahs of Egypt. But I am, as an elected representative of the people in this House of Congress, jealous of my constitutional prerogative of enacting legislation. I have heard it stated on the floor of this House time and again that we have surrendered our prerogatives to the Executive, that we are rubber stamps. This may be, although for my part I think the record will show that I have at all times voted according to my own convictions and opposed both the Executive and the leadership of this House. But at any time the Congress can retrieve its prerogative from the Executive, and no doubt will do so when the emergency has come to an end. But there is far less cause for ridicule by the press and otherwise for the temporary delegation of this authority by Congress to the Executive than its century-old supine subservience to the complete usurpation of the judiciary. This has been denounced by such outstanding liberals as Jefferson, Jackson, and Lincoln.

I often wonder less at the contempt and ridicule heaped upon Congress than I wonder at the lack of self-respect and despicable cringing on the part of Congress in the presence of the Federal courts. Are they not the creations of Congress? Do not all the lower courts not only receive their power from Congress but also their very existence? And yet some unknown, unheard-of judge off in some remote part of our country-yea, even a justice of the peace-may declare a law of Congress unconstitutional. The creation greater than its creator! And does not the Constitution give Congress the authority to change the Supreme Court and enlarge its membership? Is it not within our constitutional power to limit its jurisdiction to the four specific classes expressly mentioned in the Constitution? Why sit we here idle when we can pass at this session the Cross bill, which would prohibit lower courts from passing on Federal legislation and limit the Supreme Court to original jurisdiction in the cases mentioned in the Constitution?

Are we not responsible to the people every 2 years, the President every 4 years, and the Senators every 6 years, while the members of the Federal courts are responsible to no one for life? Are there not just as great and sincere students of the Constitution among the 300 lawyers in the House and Senate as among the members of the Federal courts? Is not the President bound to select as his Attorney General the outstanding lawyer of the Nation? When these two branches have conscientiously and honestly passed on the constitutionality of a law, why is it necessary to leave it to those on the bench just as human, just as fallible as we? Fallible, did I say? When was Justice Shiras fallible; when he first declared the income tax constitutional or a few days later when he declared it unconstitutional? When was William Howard Taft fallible; when he as President vetoed a bill which later was passed over his veto or later as Chief Justice, when he declared that same law constitutional? When was Justice Sutherland fallible; when he as United States Senator introduced a railroad pension bill or later, as Justice, declared one unconstitutional? Did his elevation to the Bench make him a better lawyer?

It is often contended that the rights of the people are safe only in the hands of the courts. Read the preamble:

We, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

That was the purpose in forming our Government and writing the Constitution. Then read the first 10 amendments—the Bill of Rights. Those sturdy patriots—who did

not attend the Constitutional Convention-Samuel Adams. Thomas Jefferson, and Patrick Henry, opposed the adoption of the Constitution until this Bill of Rights was included. The preamble and the Bill of Rights are the alpha and omega of the Constitution. The final arbiters are the voters, the American people. The Congress and the President are responsible to them; the courts are responsible only to themselves. Have they abused their usurped authority? Consider the Dred Scott decision which plunged our Nation into a holocaust which was as unnecessary as it was fraught with bitterness, hatred, and long dissension. Consider the income-tax decision, which permitted wealth to escape for 20 years its just share of the burden of taxation. Consider the child-labor decision, which doomed little children to perpetual slavery in the mines and factories. Consider the thousands of injunctions which have ham-strung labor and chained it in many cases like a galley slave. And has the Court been as harsh with its members? It exempted the salaries of judges from an income tax, while the rest of us in the Federal employ-very justly-pay our income tax. It protects its members in the matter of a \$12,000 per year pension after retirement, while it holds unconstitutional the pension to worn-out railway labor. Only very few of the Federal judges out of the total number voluntarily paid to the United States Treasury the 15-percent deduction under the Economy Act, while all the rest of us, including the poor Federal employee at \$1,200 per year or more, was forced to pay in his share.

I hold but one brief against the Federal courts. They have usurped the functions of Congress and the Executive. Limit them by enactment of the Cross bill to the functions intended by the founding fathers and expressed in our written Constitution. Then let us take the battle to the final arbiter—the sovereign people of the United States. I for one will trust them. "Seek ye the truth and the truth shall make you free." And this truth about the history of the Constitution and its making and the function of the three coordinate branches of the Federal Government will be placed before the people of this Nation in the coming campaign.

May I say here the A. A. A. was held unconstitutional by six of the members of the Supreme Court, but I am here to tell you today, sincerely and frankly, that the A. A. A. is constitutional. [Applause.] I stand with all Members on your side and all Members on my side who voted for that and believed it was constitutional. I stand with the President of the United States, who, with the opinion of his Attorney General, signed that bill. I stand by the three outstanding members of the Supreme Court who say that it is constitutional.

Mr. FULMER. Will the gentleman yield?

Mr. KNUTE HILL. I yield.

Mr. FULMER. I am glad to hear the gentleman make that statement, inasmuch as I am the one who introduced the A. A. A. bill. Certainly I would not have introduced it if I had not myself thought it was constitutional. [Applause.]

Mr. KNUTE HILL. We all thought so.

Save the Constitution? The only way to do that is to save the farmers of this country from bankruptcy, give the unemployed work to do, give to youth the inheritance of an American to health and education, and to old age the decency and comfort it richly deserves. Unless this is done we will have neither country nor flag nor Constitution. The Constitution is not as sacred as human rights. Even the Master replied to his persecutors when they chided Him for permitting His disciples to pluck grain on the Sabbath, "The Sabbath was made for man, and not man for the Sabbath." And I would paraphrase this by saying: "The Constitution was made for Americans, and not Americans for the Constitution."

Is any political party the repository of the Constitution of the United States? Is the Liberty League the only organization capable of understanding this instrument and its attorneys the only ones able to direct the activities of Congress, the legislative branch of the Federal Government? If so, then God have mercy on the common people of this country, who have been exploited for decades by this type of special interests. [Applause.]

The CHAIRMAN. The time of the gentleman from Washington [Mr. Knute Hell] has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Chairman, the failure of the present administration to live up to its campaign pledges with respect to a reduction of the cost of government by 25 percent continually plagues the Democratic Members of the House. I come to the floor today out of a sense of sympathy for them. I really am concerned about them. Because of the futility of the excuses that have been offered for the failure of the present administration to meet that campaign promise, it really does arouse sympathy in me for the Members on the Democratic side. I have listened to the efforts you have put forth trying to explain away that 25-percent promise. I have listened during the week to the denunciations that were made on the floor of the House of that fearless former Governor of New York, who was willing in a public address to remind the present administration of some of its campaign promises. I noticed how some of the Members on the Democratic side of the House squirmed and how they wriggled while a part of that denunciation was being made. I say I come today really prompted by a heart generous and gracious to you. I bring you my condolences and sympathies. The observations I am going to make are prompted in no sense by either a spirit of partisanship or a spirit of criticism. They are made out of that spirit of good will and affection that always should prevail among colleagues in a group such as this.

I think it was most unfortunate that the gentleman who immediately preceded me, in his enthusiasm for the defense of a reclamation project, failed to be courteous enough to the gentleman from New York [Mr. Culkin] to permit the gentleman from New York to interrogate him with respect to the statements that the gentleman from Washington [Mr. Knute Hill] made in answer to the statements made by the gentleman from New York on reclamations. In spite of our partisanship, in spite of our enthusiasm, in spite of our interest for a particular project, we should never lose sight of that spirit of good will that should prevail among a group such as ours.

So I come to you men on the Democratic side today, sympathetically; you men who have been trying to excuse and explain and condone the colossal failure to even approximate the promises of a reduction of 25 percent in the cost of Government. I really bring you an offer and contribution of helpfulness. That contribution of helpfulness has to do with this reclamation business.

I want to direct the attention of the membership today to the report on this present Interior Department appropriation bill. I want to direct attention particularly to that portion of the appropriation which has to do with reclamation appropriations. In all kindliness I ask you the question whether you feel you are directing your efforts in the proper direction, so far as that 25-percent promise goes, by increasing this reclamation appropriation by \$2,196,500 over what was provided for the present fiscal year? Of course, I recognize my limitations. Probably I am not approaching this 25-percent reduction properly. Probably you feel that that 25 percent, instead of being a minus, was intended to be a plus or a multiplication; but, at all events, increasing by \$2,196,500 one single item in this appropriation measure does not in any way contribute to the possibility of an approximation of that old campaign promise.

Let me read you the reason that is given for this increase of \$2,000,000:

This increase over the current appropriation is due to the need for additional funds for operation and maintenance charges on new land being brought under cultivation. Again I am thinking of that campaign promise of 25-percent reduction, and I am wondering whether that new cultivation program and this increase in appropriation for reclamation bears any stamp at all of real consistency. If we have too much under cultivation, so that the Secretary of Agriculture feels it is necessary to plow under and destroy, then why should we be spending \$2,000,000 for increasing the program of reclamation in the West? However, you on the Democratic side should direct your attention, as you honestly and sincerely and faithfully try to live up to this campaign promise of 25-percent reduction, to the fact that \$75,000 of this program is for the establishment of an operation and maintenance administration. What do we mean by that?

We mean by that more jobs. We mean by that taking care of more of the faithful. We mean by that that this already stupendous horde of faithful Democratic appointees is to be further increased. Surely you realize that this will not help you to live up to this promise, but it will make it more difficult for you to approximate this 25-percent reduction.

I shall be glad to yield and I shall be courteous enough to yield to the distinguished gentleman from Washington if he feels that any of the statements I make with respect to reclamation are either unfounded or unjustified. But I want to direct your attention to pages 197 and 198 of the hearings, where there is set forth a table which came as a result of the request of the gentleman from Massachusetts [Mr. Wiggles-WORTH]. He requested information as to the sums going into reclamation projects from emergency and relief funds. This table on pages 197 and 198 shows that almost \$350,000,000 of reclamation projects have already been provided for under emergency and relief measures that have never been approved by the Congress of the United States. I want you to look at a few of them. These are provided for under the carte blanche authority for spending money given by this Democratic House facing, as it did, this promise of a 25-percent reduction in maintenance charges. I say these are provided as a result of that carte blanche authority to spend money.

Here is one item, \$170,000,000 to go to a reclamation project in California. I think California is a fine State, and I in no sense criticize California, but \$170,000,000 without one word appearing in any hearing before any appropriation subcommittee to justify this expenditure is a dangerous practice if you are to make good your promise.

I come down to another item, and again I feel I must suggest and invite any interrogation that the gentleman from Washington may care to direct to me—I find that there is an item of \$63,000,000 for a certain project in the State of Washington with no justification for it before any House committee, no justification before any appropriation subcommittee, never passed on by the Congress. In fact, it has been said in times past—and I am glad the distinguished gentleman from Colorado [Mr. Taylor] is here—it has been admitted in times past that many of these projects had heretofore not only failed to receive the approbation of the committee but that they had been frowned upon and criticized.

I turn to another item and find \$20,500,000 provided for a reclamation project in the State of Arizona with no justification for the expenditure, no explanation to this Congress as to why this project should be inaugurated. Is there any wonder that I am concerned about your campaign promise to reduce expenditures 25 percent?

Is there any wonder my heart is touched with a sense of sympathy for you?

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 5 additional minutes to the gentleman from Pennsylvania.

Mr. DITTER. It is not, however, only the original appropriation of \$350,000,000 that comes up to plague you. Have you ever realized that every one of these projects requires a future maintenance charge? But now I am going to be selfish. I am thinking of our campaign promises that we are going to make, and I do not want the coming Republican administration plagued with the same kind of nightmare

that you fellows have been plagued with. We want to make good on our promises of economy. That is the difference. I realize that this investment means that we are to have the burden on our shoulders of maintaining these projects.

Again may I direct the attention of the House to the fact that this committee report excuses this terrific increase on the basis that the Government has invested \$250,000,000 in the construction of reclamation projects, and that projects are now under construction which will cost a like amount. They are going to cost more than that. They are to cost \$350,000,000 instead of \$250,000,000, and every \$1,000,000 that you invest in reclamation projects means maintenance charges for the years to come. So I say to you men I throw off now the role of sympathy, I am no longer offering you my condolences; rather, I am concerned about the fact that when the Republican administration comes in we are going to have on our shoulders the job of carting along this great colossal proposition that you men have put on us, and I do not want the load to be any heavier.

Mr. GRAY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I always yield to my friend from Pennsylvania.

Mr. GRAY of Pennsylvania. I am thinking, Mr. Chairman—

Mr. DITTER. This is for a question, not for a speech; my time is limited.

Mr. GRAY of Pennsylvania. I am not going to make a speech. I was thinking, Mr. Chairman, that if the gentleman's heart continues to bleed so profusely as it has been for the last 15 minutes, he will be dead before the next campaign.

Mr. DITTER. Answering the gentleman, Mr. Chairman, may I say that that hope which springs eternal in the human breast will undoubtedly provide for this bleeding heart of mine, resuscitate it sufficiently, I know, so that I can effectively combat any of my Democratic friends in my own district.

But again to direct my attention to you Members on the Democratic side, we are not anxious to have about our neck these ever-increasing capital investments that you Democrats are loading on the Federal Government. So I am really selfish when I am presently urging upon you that you desist from this program of spending, that instead you get to work to set your house in order; set it in order not only for the sake of the American people and taxpayers but also for the sake of your own good reputations, so that you will not have to squirm so much, so that you will not be wriggling around so much, so that you will not have to be going into all the crevices, the crannies, the nooks, and the corners to find excuses; so that you will not be gathering together all the volumes on condonation in trying to explain away your failure to live up to that now famous campaign promise to reduce the costs of government by 25 percent.

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. Lee].

Mr. LEE of Oklahoma. Mr. Chairman, I wish to say a few words on farm relief. On the 6th of this month the farmer was thrown for a loss by the decision of the Supreme Court. When prosperity comes to this Nation it will come through the door of farm relief. The door of production control has been closed in the face of the farmers with a slam of finality that cannot be mistaken. But there is yet a door for farm relief that stands wide open.

I speak of monetary relief that will restore the farmer's buying power. The dollar today is worth \$1.25. Why is the dollar still out of line? Because there are not enough dollars. Then we should issue more dollars and thereby bring the dollar back to the 1926 level of 100 cents.

Therefore I call attention once more to the bill which I have introduced—H. R. 10594—directing the Secretary of the Treasury to pay the veterans baby bonds in new money. I wish to serve notice that I intend to follow the petition

route in order to get action on this bill just as soon as the necessary 30 days have passed.

Unless Congress decides to pay these baby bonds in new money sooner or later we will be asked to pass a tax law to raise that money, as Alexander Hamilton said, "from the backs and bellies of the people." Not only a tax to raise the \$2,200,000,000 but a tax to pay the interest on bonds that will be refunded and refunded until ultimately we will pay more in interest to the coupon clippers than to the veterans themselves.

Not only that, but when \$2,200,000,000 are invested in bonds, it means that amount of wealth has been removed from the reach of taxes, either as to principal or income.

To those Members of the House who revolt at the idea of issuing more interest-bearing, tax-exempt bonds, and shrink from the idea of laying a further burden upon the taxpayers, here is a chance to go on a rampage against the bond racket, oppose further taxation, and aid the farmer all in one move.

By issuing more money we can bring the dollar back to a 100-cent level. When we do that we add 25 cents to the purchasing power of every bushel of wheat. We add \$15 to the purchasing power of every bale of cotton. We increase by 20 percent the purchasing power of all farm commodities.

The farmers were kicked in the teeth in 1929 when the purchasing power of farm commodities was decreased five times. The efforts of the Government to aid agriculture have done much to restore this purchasing power, but it is still 20 percent below the base year of 1926.

No one can correctly say that it is inflationary to restore the dollar to its normal value of 100 cents. Nor do the arguments of "unsound money" have much force, because, after paying these baby bonds in new money, we would still have almost \$4,000,000,000 more in gold and silver in the Treasury than we would have currency in circulation.

Now, gentlemen, here is an opportunity to give the farmers relief, and relief to the farmers means relief to the wage earners; it means relief to the storekeepers; and it means relief to the factory owner. Farm prosperity is the basis of all prosperity.

Furthermore, this method of farm relief is constitutional. The language of the Constitution on this point is not merely permissive but it is mandatory. The Constitution says:

Congress shall coin money and regulate the value thereof.

The money changers have hollered for the Constitution. Now let us give it to them. [Applause.]

Let Congress follow this mandate and pay those baby bonds in new money. That will save the Government more than a billion dollars in interest. It will give the farmers 20 percent more money for their products and thus continue the upswing of prosperity.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 12 minutes to the gentleman from Pennsylvania [Mr. Rich].

WHERE ARE YOU GOING TO GET THE MONEY?

Mr. RICH. Mr. Chairman, I turn once more to the address of the President of the United States delivered on that memorable night of January 3, 1936, when all the Members of Congress waited from 2 o'clock until 9 at night to hear the belated address which was to be delivered at the opening of Congress—and Congress convened at 12 o'clock noon. The time of meeting at 12 noon was known to all Members of Congress and the President of the United States for at least a year previous to that time. Yet 435 Members of the House and 96 Senators waited from 2 to 9 p. m. to gratify his request.

From this address I quote:

Now, after 34 months of work, we contemplate a fairly rounded whole. We have returned the control of the Federal Government to the city of Washington. To be sure, in so doing, we have invited battle. We have earned the hatred of entrenched greed. The very nature of the problem that we faced made it necessary to drive some people from power and strictly to regulate others. I made that plain when I took the oath of office in March 1933. I spoke of the practices of the unscrupulous money changers who

stood indicted in the court of public opinion. I spoke of the rulers of the exchanges of mankind's goods, who failed through their own stubbornness and their own incompetence. I said that they had admitted their failure and had abdicated.

I wonder if the President meant, when he said, "We have returned the control of the Federal Government to the city of Washington", that Congress had abdicated and turned all the power over to him and now the money changer is in the White House. No man in the history of the world has ever had so much money at his command as President Roosevelt. With his aides, Secretary Ickes, Secretary Wallace, Harry Hopkins, and Professor Tugwell, what do you think of the job they are doing in squandering this money over the United States, helping to create as per the statement I hold in my hand of January 17, 1936, of the United States Treasury-a deficit of over thirty and one-half billion dollars and with the two billions we charged off when we devalued the gold dollar making over thirty-two and one-half billion dollars in the red, a debt for the young manhood that is coming on in this country to assume. It will be up to them to pay this debt which is being created today. Will they be able to do it? Where will they get the money?

The President also stated in that memorable address that if we had any suggestions to offer for the good of the country—

Let them propose to this Congress the complete repeal of these measures. * * * In other words, let action be positive and not negative. The way is open in the Congress of the United States for an expression of opinion by yeas and nays.

I want to suggest to the Members of Congress once more that we should repeal the laws giving authority to the President of the United States when we permitted him to establish the alphabetical organizations which are now operating at great expense, and you will find in the next few years to the great detriment of this country of ours, such as the C A B—C C C—C S B—C W A—D L B—E C—E H F A—F A C A—F C A—F C T—F D I C—F E R A—F E S B—F H L B—F T C—I A B—J E B—L A B—N C B—N E C—N L B—P A B—P I A—P S A C—P W A—S A B—T V A—U S E S. The Supreme Court is doing its duty, but legal procedure is too slow. We need legislative action.

I propose that we have a new deck. Many of the cards of the old deck are gone. Those that were sound are leaving this administration as fast as they can get out, and we now have a deck that is worn out and not very good. So this Nation needs a full new deck that we may have a deal that is sound, because you cannot play the game with lost cards, and when the cards are bad the only thing to do is to exchange them for new ones. The President that is in the White House certainly has a different idea of the finances of this country than what is revealed by the Treasury Department report as revealed by his Secretary of the Treasury.

When the President said in his address on January 3-

We are justified in our present confidence. Restoration of national income, which shows continuing gains for the third successive year, supports the normal and logical policies under which agriculture and industry are returning to full activity. Under these policies we approach a balance of the National Budget.

Attention is called to the statement of the Treasury Department as of January 17, 1936, showing that the deficit for the year beginning July 1, 1935, to the 17th of January 1936 was \$1,823,589,175.41, and the deficit for the corresponding period of 1935 was \$1,427,501,713.72, or a difference of \$396,087,461.69 further in the red in our Government operations than we were at the same time a year ago, showing we are going faster and faster away from a balanced Budget rather than toward it. Why would the President make a false statement? He certainly knew better. He should have been in touch with the Treasury Department.

With the passing of the bonus bill and the increasing of the amount in the independent offices appropriation bill, how can he say we are approaching a balanced Budget? Statements mean little when facts do not bear out the contention. Let us get down to facts. Let us balance the National Budget, or the insinuation that we will not need additional taxes is only a myth. We must have more taxes or less expenditures. I believe we will be compelled to have both.

Are we as Members of Congress going to assume our responsibilities or are we going to permit ourselves to be misinformed? I quote a plank in the Democratic platform:

We favor maintenance of national credit by a Federal Budget annually balanced on the basis of accurate executive estimates within revenues, raised by a system of taxation levied on the principle of ability to pay.

Are you on the majority side doing your duty toward balancing the Budget?

The Republican platform calls for the State and the Nation to balance its Budget and to curtail expenses. Now, when the two great national platforms make these declarations, are you as Members of this Congress and members of your party which held these platforms up to the people of this country going to disregard your oath and obligation? You were elected on these platforms and you should fulfill your obligation to the American citizens who elected you. This is to Democrats and Republicans alike.

Now, we consider the appropriations to the Interior Department and we increase this Department's askings for 1937 over 1936, \$4,179,754.05. We will also have spent for the Interior Department from the \$4,880,000,000 fund of a year ago additional great sums of money. This happened last year and it will happen again. This Congress, controlled by the so-called Democratic Party with a Socialist leader, is not approaching a balanced Budget. Nor is the Democratic Party trying to balance the Budget, and I have not any idea that this majority party intends to do so. Again I ask the Democratic Party to carry out your platform to the American people.

Where will you get the money? [Applause.] Mr. LUNDEEN. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from Minnesota.

Mr. LUNDEEN. The Republicans started the alphabetical departments with the R. F. C., and they financed the trusts, banks, and so forth, with the R. F. C. Is that not the daddy to all these alphabets?

Mr. RICH. The Republicans started the R. F. C., and it looks to me now as if the R. F. C. is going to lend money to the industries and to the people of this country which will be paid back. The trouble with these other organizations is that they are all spending money and going forward in the red. If the gentleman will take the statement which comes to his desk every day he will know that we are getting further and further in the red, and the American people, the taxpayers back in his district and in mine, the poor people, are the ones who are going to pay the bill. You gentlemen on that side are not going to protect the people; on the contrary, you are spending and squandering money faster and faster every hour and every day.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania [Mr. DARROW].

Mr. DARROW. Mr. Chairman, in my capacity as the ranking minority member of the Committee on Naval Affairs of the House of Representatives, I introduced today a resolution of inquiry calling upon the Secretary of the Navy to inform the House forthwith by whose direction, order, or command, and upon what or whose authority the United States Marine Band canceled its engagement to render a musical program at the meeting of the Women's Patriotic Conference on National Defense held at the Mayflower Hotel in this city last night, and to furnish the House with a copy of such direction, order, or command.

Mr. Chairman, this is a privileged resolution under the rules of the House, and I call upon the Committee on Naval Affairs promptly to report it back to the House, so that the desired information may soon be forthcoming and the coun-

try be apprised as to who is responsible for this gratuitous and humiliating insult to the 500 or more representatives of the splendid patriotic American women numbering hundreds of thousands comprising many organizations in every State in the Union.

The Committee on Naval Affairs, whose jurisdiction embraces legislation on subjects pertaining to the Navy and the Marine Corps, should be, and is therefore, justly and properly concerned regarding those branches of our national defense and keenly alive to their activities, civic as well as military, and jealous to preserve their good name and fine reputation in the opinion of the American people. There should be no delay in fixing the responsibility in issuing the order for the unprecedented action of the Marine Band, whose members are gentlemen, as well as skilled musicians, and of whom the country is proud. While the stain of such an outrageous un-American procedure cannot be wiped out by the information desired, at least it will serve to exonerate the members of the band for acting under orders from higher up and will place the blame where it belongs.

In the name of the patriotic, liberty-loving American women whose peaceful assembly in the interest of national defense was so rudely disturbed and interrupted, I demand prompt and favorable action on my resolution.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. Houston].

Mr. HOUSTON. Mr. Chairman, in an effort to calm the troubled waters that have upset the Congress for the last 3 days and to smooth the ruffled feelings of my friend the gentleman from Pennsylvania [Mr. Rich], I am going to change the subject of discussion, and strange as it may seem, I am not going to talk on the Townsend plan or the walk-out of Al Smith, or the speech of Senator Borah, or the speech of Governor Talmadge, or the expected speech of Governor Landon.

KANSAS

Mr. Chairman, January 29 being the seventy-fifth anniversary of the great State of Kansas, I think a few appropriate remarks are in order.

For nearly four centuries Kansas has been the land of opportunity. Some States boast of their historical heritage, others take pride in their romantic background, a number possess either mineral resources or agricultural wealth, and a few point to their healthful climate. But no State combines all of these things as does Kansas. For here in Kansas we have rich history, the lingering romance of pioneer adventure, vast mineral and agricultural assets, a developing industry, and glorious sunshine so perfectly blended as to produce living conditions offering a maximum of health, creature comfort, happiness, and economic security.

The traditions of Kansas reach back to the days of Montezuma and the Spanish conquistadors. From that time down through the years of the pioneer settlements, the old trails, the territorial conflict, the war days, the cattle towns, and the county-seat wars, the finger of history has crisscrossed Kansas and left us a rich heritage from the past. Some 60 years before Pocahontas saved John Smith's life, and for an even longer period before the Mayflower sighted Plymouth Rock, the white man had visited Kansas. Here it was that the Civil War really started and here it was that the doom of slavery was sounded in the United States.

Nearly 400 years ago Coronado came to Kansas seeking the mythical cities of Cibola, with its streets presumably paved with gold. In his search for gold, the mineral, he was disappointed. But if he had but known, there was gold all around him—gold in the underground recesses of Kansas soil, gold in the cultivation of the rich acres which overlie Kansas everywhere. Today Kansas is fourteenth in industry, it is eighth in mineral production, and it is one of the great agricultural empires of the Nation.

And yet, with all of our resources, with all of our historic background, no other State in the Union is the victim of so many misconceptions and so many mistaken notions as Kansas. As a people, we are pictured as peculiar; as a State, the popular idea prevails that we are the haven of jackrabbits, grasshoppers, and savage Indians. If we were to believe the impressions others have formed of us, Kansas is noted principally for its cyclones and tornadoes, for its dust storms and droughts, for its monotonous prairies and parched farms.

The truth is that, according to insurance actuarial records, Kansas is the healthiest State in the Union and is a leader in its percentage of literacy. There are less than 2,000 Indians in the State, and the majority of them are as well educated and civilized as their white brethren. Kansas has no more cyclones or tornadoes than Missouri, Illinois, or any of the other States of the Central West; the center of the dust disturbance was not in Kansas but in neighboring States; and, far from being an endless sweep of prairie, Kansas offers some of the most beautiful scenery to be found anywhere in the country. The scenery of Kansas is not artificial; it is not narrow, tawdry, or cheap. The beauty of Kansas is majestic in its scope, sweeping in its allure, with high horizons, and an unending and changing succession of picturesque landscape.

Few people think of Kansas as an industrial State. Yet it is first in the Nation in flour milling, fourth in meat packing, tenth in the production of cement, with gypsum mills, furniture factories, foundries, and other plants of growing significance in the industrial pattern of the Nation. Wichita was once known, only a few years ago, as the "air capital of the Nation." Then there was a recession in the industry in this State. But now, once again, Wichita is challenging for that distinction. Its aircraft factories are humming with activity, busy with orders, which will keep them operating at full capacity for many weeks to come, and with the prospect that Kansas may soon attain the position of being the premier State in the Nation in the manufacture of aircraft.

Kansas is not particularly noted for its mineral resources; but it produces eight times as much mineral wealth as Alaska and surpasses such well-known mining States as Colorado, Montana, Utah, and Arizona. The total value of the minerals thus far brought forth from the underground recesses of Kansas exceeds two and one-half billion dollars, and much of the State's mineral possibilities remain unexplored.

Centuries ago a great salt sea covered most of the western half of the State. When it receded it left huge deposits of salt throughout that area, some of them more than 400 feet in thickness. Today Kansas is third in salt production in the Nation, and there is enough salt underlying the State to supply the United States for the next 250,000 years.

Kansas never had a volcano in its entire history, but it is first in the output of volcanic ash. At some period in the dim, distant past volcanoes were active to the west of the State; they are believed by geologists to have belonged to the Capulin group in New Mexico. The fine dust erupted from these volcanoes was carried by the prevailing winds into Kansas and deposited here in such volume as to make this State the leader in the Nation in the production of this important abrasive material.

This year, according to Progress in Kansas, the official magazine of the Kansas Chamber of Commerce, Kansas is destined to set a new all-time high record for the production of oil, thereby duplicating its performance of a year ago. Back in 1918, when the Butler County fields were at their flush heights and the famous El Dorado field was producing nearly 10 percent of the Nation's output, Kansas produced 45,500,000 barrels of oil. That remained as the year of peak oil production in the State until 1934, when it was surpassed by 250,000 barrels. But in 1935 Kansas produced more than 50,000,000 barrels, to establish another new peak record.

Today Kansas is fourth in the Nation in oil production, and oil is found in 43 counties in the State. The Kansas oil

field is rapidly spreading out over the western section of the State, and geologists say that the petroleum possibilities of that section have "barely been scratched." Every county in that part of the State is a potential oil producer, it is claimed, and this is supported by the fact that hardly a day passes without a new producer being uncovered in hitherto virgin territory.

Down in southwestern Kansas lies the Hugoton gas field, one of the greatest natural-gas reservoirs in the Nation. The development of this vast field has barely begun, but careful research has revealed that it has a sufficient reserve to take care of the gas needs of Kansas for the next 200 years, and, with the Panhandle field of Texas, could supply the gas requirements of the entire Nation for the next 26 years. Think of the possibilities that the development of the Hugoton field holds for Kansas—a State already ninth in its natural-gas output! Moreover, consider, if you will, the industrial opportunities presented by this enormous gas reservoir, with its billions of cubic feet of gas waiting to be harnessed for industrial purposes.

For years Kansas has been one of the leading zinc- and lead-producing States in the Union. It is rich in gypsum deposits, in coal, and in limestone. Southeast Kansas contains a greater variety of mineral resources than any other equal area in the Nation, being favored by eight—coal, clay, shale, limestone, gas, zinc, lead, and oil—and in this region there is the largest concentration of excavating machinery in the world.

Today the mineral resources of Kansas approach agriculture in importance as a source of wealth and with much of the possibilities still unexplored; they are destined to become an increasingly influential factor in the economic pattern of the State.

Kansas is rightfully entitled to its reputation as one of the great agricultural States of the Nation, but those who are unfamiliar with its farm output largely regard it as a one-crop State. It is true that Kansas raises a lot of wheat. It has well been called the "bread basket of the world", and the claim that "Kansas grows the best wheat in the world" is not without justification. Normally one-fifth of all the hard winter wheat grown in the United States is produced in Kansas, and 39 States have a smaller acreage in all kinds of crops than Kansas has in wheat alone. For a like area Kansas is the largest producer of hard winter wheat in the world.

But what most people overlook is that Kansas, which is fourth in the Nation in agriculture, has a well-balanced farm output, with 47.1 percent of the farm income coming from crops and 52.9 percent from livestock products.

Kansas ranks eighth in the production of corn and grows corn in all of its 105 counties. Recently J. C. Mohler, secretary of agriculture, in refuting the impression that Kansas is a one-crop State, said this:

In the 54 years, from 1859 to 1913, Kansas never harvested a crop of wheat that produced as much as 100,000,000 bushels. Yet in 37 of those 54 years the State raised a corn crop that measured above 100,000,000 bushels.

Secretary Mohler went on to point out that in the last 20 years Kansas has produced 11 crops of corn that measured above 100,000,000 bushels and 13 crops of wheat that went over that mark.

Kansas ranks first in number of eggs shipped to the large markets, and dairy products bring to Kansas dairymen and farmers an income in excess of \$20,000,000 annually. The State holds almost a complete monopoly on the growing of apple seedlings, producing more than 90 percent of the Nation's output. It is first in the production of alfalfa seed, third in production of flaxseed, second in grain sorghums, and fourth in yield per acre of sweetpotatoes.

Kansas has more land in farms than any other State except Texas, which is three times larger, and has the largest wheat-storage capacity in the Nation.

Kansas is third in the production of beef cattle for slaughter and is one of the leaders in the production of purebred livestock.

Reflecting the agricultural stability of the State, Kansas is the only State in the Corn Belt where farm real estate has not declined in value since 1925; it is first in the amount of farm acreage operated by owners and leads all States in having the smallest per-capita mortgage fore-closures. It has more farm-owned autos than 45 other States, more tractors than 46 others, and more farm homes equipped with gas and electricity than 39 others.

I could occupy another hour with an endless array of statistics emphasizing the varied sources from which Kansas draws its wealth, and recalling facts which even those of us who live there are prone to overlook. I have not even touched upon the cultural background of the State which has produced some of the greatest artists, writers, and musicians in the Nation. I have not mentioned a State press which is nationally famous for its virility and is unequaled anywhere in its devotion to the popular welfare. Nor have I called attention to a system of education which has contributed so immeasurably to the economic and social progress of the State.

These are the things which make Kansas great. In a comparatively few years they have been wrought out of a raw frontier, out of the blood and sweat and toil of rugged pioneers who were undaunted, unafraid, and stubbornly persistent. They brought civilization to a land of savagery. In the face of indescribable hardships and danger they made what had been called "the great American desert" bloom with golden crops and pulsating industries. They brought to a barren land willing hands, sturdy hearts, and determined faith, and with little else laid the foundations upon which a great State has been reared.

These pioneers have left us both a heritage and a challenge, a heritage based upon their courage, patience, faith, and loyalty, and a challenge for us to exercise those same superlative attributes in meeting the problems that confront us and in building to still greater heights the structure they passed into our hands.

The foundation has been laid. We have the resources; we have the natural wealth; we have a virile and intelligent citizenship. But above all we need to recognize that life today is not only complex but interdependent. We are, to an immeasurable extent, bound up in a common destiny. A few years ago a great man said:

Cooperation is no longer a sentiment; it is an economic necessity.

Those words come to us today with compelling force. The destiny of Kansas, the fate of the Nation are inextricably involved in the extent to which we realize that we must labor together in a solution of our common problems, in our recognition of our common purpose in life, and in our acceptance of the fact that progress and the welfare of the human family depend upon a conscious and intelligent association of effort.

Great problems are pressing upon us for solution. They will not be solved on the basis of prejudice or narrowness, nor through selfishness or arrogance. Neither will they be solved if we lose sight of the fact that change is inevitable; that it is the basis of all progress; and if we are unwilling to accept that philosophy, then we must be prepared to accept that stodginess and stagnation which leads to decay and eventual disintegration.

Kansas is a great State today. It will be much greater when we appraise our assets with an eye to future possibilities, and then set our hands to the task of converting these possibilities into actualities through an exercise of that vision, faith, courage, and determination which so distinguished our forefathers and which stands before us as a living challenge today. [Applause.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from Nebraska [Mr. BINDERUP].

Mr. BINDERUP. Mr. Chairman, I believe all of us as Congressmen are very zealous of the honor and the privilege that has been extended to us by our constituents in our home communities in making us their representatives in the Nation's Congress. I believe we are very zealous of this position and anxious to protect the dignity of this high office as well as the dignity of the House of Representatives.

Therefore, Mr. Chairman, it seems rather strange to me that we are in this Congress lending so much time and consideration, thereby lending dignity to a man who might be a very good man but entirely unworthy of all this consideration of this House—a man who after all is a very ordinary citizen, regardless of his apparent exalted opinion of himself as manifested in his statement that only the President of the United States will be recognized as worthy of a reply to his remarks. So, since this House has so extremely dignified his person, magnified his words, and amplified this dinner, I am referring to Alfred E. Smith and the American Liberty League last Saturday night, a few more remarks in closing this episode can do no harm, referring as I do only to the closing remarks he made in his address last Saturday night. Mr. Smith asks, Shall the Capital be in Washington or Moscow? when he should know the question definitely is, Shall the Capital be in Wall Street, New York, or shall it be in Washington? Shall it be the clear, fresh air of free America or the foul breath of communism, he asks; when we, the citizens of America, know the battle is on, and the question is, Shall it be the clear, pure air of freedom and liberty, which the Constitution guarantees, or the foul, putrid air of capitalistic tyranny?

Then he asks what flag, the Stars and Stripes or the red flag of Soviet Russia, when we, who have been in the battle lines for years fighting for and following this flag-our flag of freedom-in the cause of the toiling masses, know the only question is, Shall it be the old flag, the flag of the Stars and Stripes of America, or the plutocratic, monopolistic, capitalistic flag of Wall Street? And he grieves over the Constitution. Let me tell you, Al, our Constitution is much safer in the hands of the toiling masses, the great producers of all wealth, than in the hands of your apostles, who have been violating the Constitution of the United States for over a hundred years, in that during all this time they have been robbing the people of their constitutional right to coin and control their own money, the measuring stick that measures all value according to its own abundance, that measures the very sweat of the brow of humanity, that measures the very life of the laboring man who sells his life to his employer in little pieces, by the day, the week, or the year.

The crowd for whom you acted as spokesman Saturday night, in their unconstitutional capacity, hold and control this measure of value by their absolute control of the volume of money in circulation. In this, their unconstitutional capacity, they have caused more tears, sorrow, and suffering; more suicides, murders, and war; and have done more to tear down the great institution of civilization than any other class of people, including Communists and anarchists. Through human greed, selfishness, and avariciousness there is no other class of citizens who have done more to retard civilization than those represented by the crowd who dined with you at the reenacted feast of Belshazzar at the Mayflower Hotel last Saturday night, January 18. This crime was committed by violating the Constitution of the United States, by usurping the control of our money supply, the lifeblood of trade and industry, the wheels of commerce. It comes from a mighty poor source, then, when your crowd plead the protection of the Constitution; when you said the great commoner, William Jennings Bryan, walked out on the Democratic Party, you were wrong again. It was your bunch that walked out on W. J. Bryan, when the air of purity invaded the halls of the Democratic convention and your bunch choked and ran to seek the air of selfish interests and greed to which you were accustomed; yes, you knew then,

of a certain passage of Scripture that reads:

The ox knoweth his owner, and the ass his master's crib.

It would not hurt to take a little inventory of the guests who attended this Belshazzar feast at the Mayflower last Saturday; first, there were the Du Ponts, 25 of them I believe, who are members of this family corporation, associated together with other munitions manufacturers, who in the last war reaped a profit of no less than \$25,000 for each one of our boys their murderous implements of war have sent into eternity, merged together with the Remington Arms and the Bethlehem Steel, by exchange of stocks and gentlemen's agreement—misnamed gentlemen's agreementsand associations, again merged together with the ring of munitions manufacturers that circle the globe, whose business it is to prolong war and disturb peace, associated with the English Vickers Armstrongs, Ltd., that most gigantic chain of munitions manufacturers on which the sun never sets, associating with Germany's Krupp Co., manufacturers of heavy artillery, and to cap the climax, connected and associated by intermingling of stocks, directorships, and gentlemen's agreements with Schneider-Creusot munitions plants, bigger than all the others combined. This bunch of munitions manufacturers apparently care nothing for the life of your son and mine.

They can hear only the clinking of the coin in their golden coffers; that drowns the prayers and pleadings of suffering humanity. These munitions manufacturers that during the war interchanged raw materials and shipped freely to each other, friend or foe; for instance, Germany shipped magnetos and gasoline engines and numerous other war materials freely to France and England through Sweden, Denmark, Norway, Switzerland, Spain, and Holland so that the Allies could kill more German boys; and England, France, and other allied nations shipped just as freely to Germany glycerine for explosives, nickel, copper, oil, and rubber so Germany could kill more of our boys, as well as the youth of England, France, and other allied nations. Yes; this group was represented at Al's feast of Belshazzar last Saturday night. And the representatives of the House of Morgan were there-I speak of these as a symbol of predatory wealth and human greed-yes, the House of Morgan.

Do you remember in history how the House of Morgan bought up half of the Nation's gold in the Civil War and shipped it across to their branch bank in England to cripple the finances of the Union, to make gold scarce and increase the purchasing power and depreciate our Nation's paper money in terms of gold, thus robbing the soldier who was receiving only \$13 a month by depreciating the value or the purchasing power of his money?

You remember in history the House of Morgan during the Civil War had bought the defective rifles that had been discarded by the Nation because they were unsafe for the soldiers, one of the reports on these defective rifles reading that they were as dangerous to the one firing that rifle as to the one he was shooting at; how the House of Morgan bought these discarded rifles from a speculator for \$2.50 apiece and sold them back to General Fremont, of the Union Army, in another division, for \$22.50. Do you remember how Morgan was convicted for this crime and later on whitewashed and released? Oh, yes: Al had all of these representatives there at his billion-dollar dinner. And the Power Trusts were there. I know this bunch—I have learned to know them as the enemies of Nebraska and the enemies of our Nation. They have just filed other injunctions against us in the State of Nebraska in their effort to prevent us from using the water power of our rivers for the development of cheap electricity, stating in their request for an injunction, preventing us from doing further work, that they would not be able to compete with us in our cooperative efforts. The Power Trusts have been hindering our great efforts in the developments of our rivers for the past 21 years, thereby compelling us to allow our great fertile

and you know now, that is where you belong. I am reminded | land to dry up and be depleted of its fertility with an ocean of water under it and around it waiting only to be pumped to the surface by cheap electric power which they will not furnish, nor will they allow us to provide for ourselves.

One of the companies filing this injunction against us in Nebraska is the Nebraska Power Co. I have just looked up a bit of their history. This company, owned body, soul, and breeches by the American Power & Light Co., which in turn is controlled by the Electric Bond & Share Co. of New York. might appear to the casual observer as a Nebraska Corporation, which, of course, is not true. This company is incorporated in Maine and has its headquarters in New York. This company was born out of a merger of the Omaha Electrict Light & Power Co. of Omaha and the Citizens Gas & Electric Co. of Council Bluffs, Iowa. These two companies closed their books and sold out to the Nebraska Power Co. on May 31, 1917, with a fixed capital of \$6,432,000. The next morning the books were opened in the name of the Nebraska Power Co. The books now showed a fixed capital of \$13.500,-000, a transfer of water into gold of over \$7,000,000, a pretty good profit for one night, which watered stock was sold to the widows and orphans of Nebraska and Iowa. They did not have as high a regard, apparently, for the poor widows and orphans then as they did last summer here in Washington when they cried huge crocodile tears and shouted that we were robbing the poor widows and orphans when we were passing legislation prohibiting and preventing them from selling watered stock and concealing their dirty, crooked dealings by creation of holding companies, created for no other purpose but to draw more huge salaries and concealing the profits of their subsidiaries and robbing the investors of their profits.

Oh, yes; these constituted some of the company at Al's billion-dollar blow-out last Saturday night. I know these men; I know this bunch. I spent my life fighting trusts, and I recognize this bunch of pirates. At the age of 30 they robbed me and left me penniless in the creamery business because I would not agree to reduce the price of butterfat 4 cents a pound to the farmers. Twenty-five years later. when I had to fight them again through every court in the land for 51/2 years, I fought this bunch of grafters and crooks through every court in the land, up to the Supreme Court of the United States, where I received a unanimous decision, followed shortly thereafter by a satisfactory compromise settlement. Well, that is enough for Al and his reenactment of this billion-dollar feast of Belshazzar. In the night, as they reveled and drank from their golden goblets, perhaps they also read the handwriting on the wall, as did Belshazzar and his lords, when they read the fiery words, in their oriental language, "Mene mene tekel upharsin", meaning "Thou art weighed in the balance and found wanting."

But, Democratic friends and fellow Congressmen, there is one thing that we cannot laugh off, and that is the accusation that he made that we as Democrats had not fulfilled our pledges to our people as embodied in the Democratic platform. This accusation ought to wake up every red-blooded Democrat to either fight or make good. I have always believed there is no lasting advantage or gain in evading the truth or in misrepresentation. I believe my people and your people are entitled to know the truth-know exactly where we stand on all political questions relative to our Government. To me a political platform is a sacred code of promises we made to our constituents in exchange for their vote of confidence in us, and to break this code of promises is treason against our people. To me the Democratic platform is a holy writ. It is the ark of the covenant. It is the magna carta to the toiling masses, the great producers of all wealth, whom we represent. Just listen to the prelude to the Democratic platform of 1932:

cratic Party solemnly promises by appropriate action to put into effect the principles and policies and reforms herein advocated.

It was just a mighty small comfort to me when on the floor of the House, following Al's tirade against the Democratic Party and what he termed their "broken promises", that our principal defense that we heard mentioned on the floor of this House was that Al was also a piker—that he had not always been reliable, and that he had not followed his promises, and that the Republican Party under Hoover had violated all their party platforms and principles. To me this was mighty discouraging as, in my judgment, three wrongs cannot possibly make a right. But, as Al said, and as our good speaker and colleague, Mr. Woodrum, of Virginia, said, the following morning-and as I now also want to repeat, I want to let you in on something confidentially. I have been worrying, as I know you have, about this accusation-this split in the Democratic Party and the possible Republican victory in the next election. I have in the past heard so much on this floor about communism and socialism and radicalism, and I have become somewhat alarmed. But I have discovered something that is a great consolation. I know a cure-all. I know a safeguard. I know how to choke Al to death politically; how to stop the Republican Party politically; how to stop this terrible communism, radicalism, and socialism; and I am going to let you in on this secret; and that is, let all of us Democrats get busy and fulfill the pledges of the Democratic platform and we will choke the wind out of our opposition. We have it all over Al; his chances are gone.

We have an advantage over the Republican Party; the door is closed to them; they had their inning for 12 years, and during this time our great Nation fell from the highest level of prosperity to the lowest level of want and poverty while they held the reins of our Government. But we Democrats are still at bat and we still have the opportunity of redeeming our party by fulfilling our pledges to the people as contained in the Democratic Party platform. How glorious the situation if we will only act now. I would rather stay in Washington all summer and come home with my platform pledges fulfilled than to come home with excuses for my failure to carry out my promises to the people. I would rather come home late, holding aloft in my hand the Democratic platform, waving it to my constituents, and saying, "Here; here is the holy covenant fulfilled, every pledge, every word; I have done my part"; rather that a thousand times than to come home to attend to a reelection to which I claim we are not entitled unless we carry out our part of our contract; the planks of the Democratic platform, this holy covenant with the people. What kind of plea can we make, coming home with an unfinished program from a Congress that is two-thirds Democratic and a Democratic President? Oh, if we only had more Republicans in Congress we could come home singing the old tune, "The Republicans would not let us", and if it were not for the Democratic platform we might go home and say we did not think about it, or if it was because we did not have the knowledge that no less than 582,000 farmers are now losing their farms in foreclosure, we might plead we did not know it was necessary. We might plead that we did not have the time if it was not for the fact that we are just mighty well paid for our time and effort as Congressmen, and there is no reason why we could not remain all summer in order to fulfill our pledge and bring relief to our people. But there is no excuse and we know it.

So let me again suggest that we start in the fulfillment of our pledges of the Democratic platform with the Frazier-Lemke bill, providing for refinancing of farm mortgages at 1½-percent interest and 1½-percent payment on principal each year. Did you ever notice that we have a Frazier-Lemke plank in the Democratic platform? Listen; let me read it to you, right out of the platform, word for word. It seems to me that whoever wrote this plank in the Democratic platform must have had the Frazier-Lemke bill close at hand and copied the essence of this most important bill,

for every provision of this bill is contained in this paragraph of the Democratic platform:

We favor the restoration of agriculture, the Nation's basic industry; better financing of farm mortgages, through recognized farmbank agencies, at low rates of interest, on an amortization plan, giving preference to credit for the redemption of lands and homes sold under foreclosure.

This is the Frazier-Lemke bill in every principle and effect. How easy it would be to enact this plank into law in the shape of the Frazier-Lemke bill, this plank written into our sacred pledge, in the Democratic platform, by a Democratic committee, and O. K.'d by a Democratic convention, to be enacted into law by a Democratic Congress—yes; 3 to 1 Democratic—to be approved and signed by a Democratic President who had promised to sign it. Born and nurtured in Democratic environment, everything Democratic except, as it thus far appears, the intention.

This bill was introduced in regular order; it went through fire in the Agricultural Committee of the House where banking interests, interest takers, and coupon clippers appeared against the bill, but after 2 months it finally passed this committee with a majority of 18 to 5, and a subcommittee was appointed by the Agricultural Committee of the House, to ask the Rules Committee for a hearing and a vote on the floor of the House of Representatives, which thus far has been denied. Thirty-two States have passed resolutions in their legislatures asking Congress to pass this righteous bill. It passed the Senate Agricultural Committee unanimously, without a dissenting vote, but the arbitrary Rules Committee of the House has denied us the right to have the bill heard on the floor of the people's Congress, and, strange as it may seem, the Rules Committee of the House is composed of 12 Members of Congress who are Democrats; I say with much forethought and due consideration that no communism of Russia, no tyranny of Hitler, no abuse of power by Mussolini can be more autocratic than is the despotic Rules Committee of the House, and I say without fear of contradiction that no true Democrat at heart will stand for this abuse of power, depriving our citizens from being heard on the floor of the people's Congress in a righteous cause. Why does this Rules Committee of the House sit silently by and listen to this condemnation on the floor of this Congress? Why not defend your action in this case? I do not like the word "challenge"; it sounds boastful and bragging, so let me rather invite you to reply. I want to say this in the most beautiful words of the English language, and yet so "damned" emphatic that no one will doubt exactly what I mean. I dare you to get up on this floor and defend your action in this case. When I reread the last speech I made on this floor condemning the Rules Committee I rather relented, thinking I had been too severe on this committee, and had expected to be censured by some one of the Members; I had expected to apologize, and yet demand an explanation; but not a single one of this tyrannical committee has dared to reply.

In conclusion let me emphasize the two outstanding principles of the Frazier-Lemke bill. This bill simply provides that the management of the Federal land banks must be returned to the farmers, as was the original intention, as the farmers now own the majority of stock of the Federal land banks. In my bank, the Federal Land Bank of Omaha, Nebr., the farmers own over 75 percent of all the stock, and yet have no voice in the management, only to the extent that they can select, through their associations, one member of a board of seven, and now the right to select in their local association a secretary and their county president is being taken away from them also. The management of this bank has been taken over by graduates of agricultural colleges, men who call themselves professors, or who have a diploma from a school, setting aside men with years of experience and giving room to young men of theory without practice. Is there another corporation in the Nation that would deny stockholders a right to a voice in the management? And let me repeat that this usurpation of power has been taken over

arbitrarily, contrary to the original act as passed by Congress in 1916. The second demand of the Frazier-Lemke bill is this: Since Uncle Sam is supplying the 12 Federal Reserve banks of the United States with money at 30 cents a thousand dollars, based on second-class security, as I consider it, and which it is, when compared with the security of a man's home and farm, why should not the 12 Federal land banks have the same privilege?

The farmers never have asked as much in favors as other classes of citizens do. They are willing to pay Uncle Sam 50 times more interest than the Federal Reserve banks pay, and they are willing to pay \$15 per thousand, or 11/2-percent interest, which is 50 times more than the bankers pay. Is there anyone who will dare to say that these demands are unfair or unreasonable? Then why is it that we cannot get this bill on the floor of this House? It is because, my friends, the Democratic Congress is not democratic but autocratic and bureaucratic and does not respond to the will of the people. The Frazier-Lemke bill puts the Democratic Party on trial; it must choose between an autocratic Rules Committee that does not recognize its obligation to the only high tribunal which is the will of the people but bows to an autocratic power that is depriving the people from being heard on the floor of their Congress in a righteous cause. It is not a question of whether the Frazier-Lemke bill is right or wrong; it is only the question, Shall we, the people, have a right to be heard on the floor of Congress after our bill has passed favorably through committees to determine its merits? Shall it be democracy or autocracy? Shall it be freedom of expression on the floor of Congress or the stifling hand of cloakroom tactics, smothering the will of the people? [Applause.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky [Mr. CREAL].

Mr. CREAL. Mr. Chairman, whether it is with malice aforethought or simply an oversight, in looking down the society column of the local papers I notice that none of my people were invited to the Liberty League meeting. Knowing that the farmers' wives will be greatly disappointed, and in order to ameliorate to some little extent their disappointment, I clipped from the society columns a review of the gorgeous gowns and dazzling jewels of their sisters who propose to tell them how to vote in November.

I know that they approve of the Reconstruction Finance Corporation passed under Herbert Hoover, because it did not meet with any condemnation whatever, even though it might have an \$80,000,000 loss in one spot to a favored son of the party, like Charles G. Dawes. That, too, is not to be considered, of course, where you are now making grants to towns and corporations with ability to pay for waterworks, sewer systems, and school buildings. So, as they believe that banks, insurance companies, and trust companies, and railroads are constitutional by reason of the Hoover Reconstruction Finance Corporation Act, but believe that corn, hogs, and tobacco are unconstitutional, we want to get that class line well in mind. Along that line, especially along the line of the gowns and jewels, in order to send it to the farmers' wives in my county, I ask unanimous consent to place it in the RECORD.

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

The matter referred to is as follows:

THE AMERICAN LIBERTY LEAGUE

Politics make strange bedfellows. This was illustrated at the meeting and broadcasting program of the American Liberty League Saturday night at the Mayflower Hotel in Washington.

There was Judge Charles I. Dawson, of Kentucky, renegade Democrat, who got to be a Republican when he got wealthy, as most weak Democrats do. It would be interesting, indeed, to show the number of corporations represented by the members assembled and the bearing of directors on which they served. the boards of directors on which they served.

It is evident that all those in attendance were bent on one thing, and that is to try to defeat Roosevelt and restore the dethroned kings of finance to power. In other words, you people have had the Government down at Washington for 3 years. The high-up

and mighty, the select, elite, and favored group so long, would like to take the Government back to Wall Street.

It was regrettable to see former Democrats and some who would

have you believe they are still Democrats alined in this strange company.

A Washington paper gives you A. A. A. boys a glimpse of the

A Washington paper gives you A. A. A. boys a glimpse of the crowd as we quote a few paragraphs:

"There were expensively gowned women whose names grace the social register. The smartest gowns this city has seen for many an occasion shimmered and glittered. Mrs. Jouett Shouse, wife of the president of the league, was at a table playing host to Alice Longworth and her cousin. Mrs. James Warburg, of New York, was also at the Shouse table. Mme. Cantacuzene, an old-line Republican, was another guest.

"Bepresentative Entry Nouser Rockers Republican of Massachus-

was also at the Shouse table. Mine, Canacuzehe, an old-line Republican, was another guest.

"Representative Entrh Nourse Rogers, Republican, of Massachusetts, was in a brown and silver gown, with a gardenia on her shoulder. Matching modernistic bracelets on either wrist of a long sleeve, tied about the neck; backless black gown gave éclat to the costume of Mrs. Barrett Wendel, of Chicago."

And so on, etc., for two columns, exhausting the dictionary for choice of words to describe the grandeur, jewels, gowns, and brilliancy of the occasion, went the description.

It represented entrenched wealth, the god of greed, the "public be damned" sort of atmosphere. These people came in all the splendor and brilliant array to inform the world that Mr. Roosevelt is making a mistake in his efforts to provide a means of livelihood for the farmer, the laborer, and the other 90 percent of America.

At one table sat Mr. and Mrs. Irénée du Pont, at another Pierre du Pont, the munition kings of the world, whose business prospers most when the world is at war. Perhaps the neutrality program of Roosevelt and Congress and the prevention of shipment of war materials to countries at war was not popular with the Du Ponts.

With kings of big finance seated here and there, who had furnished campaign contributions with checks of six figures for years to elect Presidents of their own picking, they made a class all to themselves, gathered in a common interest and for a common purpose to defeat Poesevelt.

to elect Presidents of their own picking, they made a class all to themselves, gathered in a common interest and for a common purpose to defeat Roosevelt.

And there as elsewhere among the class assembled was a lamentation of the tendency to array class against class. We ask if those assembled belong to your class? If they as a class have a program all their own, why do they lament about the people who are not of that class thinking and acting for their own interest?

We read of meetings over the United States a day or two before the Liberty League meeting. These meetings were at courthouses or warehouses. These people assembled wore overalls and their hands had the marks of labor. Their wives and daughters at home were not so bedecked and bejeweled as those at the Liberty League meeting. How can you keep class against class out of the 1936 campaign?

The Liberty League is greatly perturbed for fear the form

The Liberty League is greatly perturbed for fear the farmer will lose some of the liberty and freedom he possessed from 1923 to 1932. He had a very wide scope of liberty from which to choose at that time. It consisted of three options:

1. Become a homeless bankrupt.
2. Starve to death and go naked.
3. Suicide.

3. Suicide.

Some took one route and some another; for being in free America we had the right to choose either one. How we pine and sorrow for those good old days from 1928 to 1932, which most of the present members of the Liberty League tried to have repeated with the same man.

with the same man.

But the intimation from all Liberty League members is that the fool people didn't appreciate the desire of the crowd now comprising most of the league and sort of set up housekeeping in their own interest. No allowance ever seems to be given for the unusual condition, the dire distress, and national emergency existing at the time the present administration assumed responsibility. In time of war all conservation of resources, attention to employment of people, and even to food distribution is the usual program.

Our situation was as great an emergency as in time of war. Desperate situations require different treatment from those of ordinary times.

ordinary times

It was said at the meeting, "What would Thomas Jefferson think, if he could come back and find his party today?"—or words to that effect. We wondered, too, what Tom would have said if he could have walked in on that meeting at the Mayflower Hotel. There were a majority in the crowd followers of the doctrine of Alexander Hamilton, Tom's antagonist in the Convention framing the Constitution. Hamilton wanted the Federal Government to have all the power and the States none. He even opposed the people voting for President, but wanted a group of selected delegates to meet in convention at Washington and choose a President.

In convention at Washington and choose a President.

When Jefferson saw this crowd and thought of his government doctrine that all men are created free and equal and should have equal opportunities in life, we doubt most seriously if he would have thought that crowd was one organized for the benefit of the common man. The party of Hamilton has now turned a somersault and is yelling States' rights. What would Hamilton say of his party to hear them talking about States' rights? Alec and Tom would have had to have gone off and talked it over awhile before either of them could have addressed the meeting. Tom would have said: "I can't get my bearings with Charlie Dawson and John Robsion, of Kentucky, cheering Al Smith at a political meeting." Alec would have said: "I'll be dogged if I can either, with an

ex-Federal judge talking about a State or State courts having

rights."

Many States of the Union have had different constitutions. Others have made so many amendments that the original is left in name only, yet all adhere to the main ideas of American Government. Our Constitution has been amended 21 times.

Usually there is a demand for a law and then follows the law. If unconstitutional, then an amendment usually follows.

Three times in 20 years we have changed it on the matter a

Three times in 20 years we have changed it on the matter as to whether or not a man could drink a glass of beer with his lunch. At first he could, then he couldn't, and now he can.

There have been many laws passed by Congress later declared to be unconstitutional and many laws passed by States declared to be unconstitutional in those States. But this New Deal legislation seemed to get closer to the hide of the class represented by the majority of members of the Liberty League than any other. They are afraid the will of the people of 36 States might approve a constitutional amendment which would enable the Government to give a poor man a chance for a decent living.

a constitutional amendment which would enable the Government to give a poor man a chance for a decent living.

No one proposes to injure or detract from the power of courts to exercise their right to pass on legislation. Neither do the people propose to allow Wall Street to say that there shall be no more amendments to the Constitution if the people want to amend now or hereafter when the need arises.

No critic ever says what should have been done instead of what was done by the Roosevelt administration. They just criticize and offer nothing. Why not give a man credit for good intentions; a man with a heartthrob for the forgotten man—the farmer and the laborer?

It is a hard road to battle entrepeded privilege and man in the contractions.

It is a hard road to battle entrenched privilege and wealth. They have had the Government for a vehicle so long it is hard for them to abdicate. They invent many schemes to mislead the people in order to get back in power.

Mr. TAYLOR of Colorado. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DOUGHTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 10630, the Interior Department appropriation bill, and had come to no resolution thereon.

ADDRESS BEFORE THE UNION LEAGUE CLUB AT PHILADELPHIA

Mr. DARROW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address made by our colleague, Mr. James W. Wadsworth, at the Union League Club in Philadelphia on Monday, Januery 27.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. DARROW. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered by Hon. James W. Wadsworth, of New York, at the Union League Club in Philadelphia on Monday, January 27:

Mr. President, ladies, and gentlemen, you have paid me a very high compliment in asking me to come here today to speak in the Lincoln room of this great old club. It is my first visit to this room, and while you were at luncheon I had an opportunity to look into your library behind us here. Certainly the traditions of this place are precious and certainly the influence of this organization upon the affairs of this old city and of the State, and indeed

of the Nation, is important.

I rejoice at the information which has been given me here just before the luncheon, that the members of the Union League are enlisted for the duration. That is the kind of service we need and it would be well if gatherings of this kind could take place in city after city, town after town, country after county the

Your president has been very generous in his introduction-greatly so.

I have not prepared what might be termed an oration. I thought perhaps you would permit me to ramble a bit. Things are happening pretty rapidly at Washington—all sorts of things. We started the season with a political rally in the House of Representatives [laughter], with spotlights and cameras popping over the gallery like machine guns over the top of a trench, and all the microphones and gadgets which are conductive of high-powered publicity. That was a message on the state of the Nation as you may remember was a message on the state of the Nation, as you may remember. [Laughter.] And it was only night before last that we had a dinner, not costing \$50 a plate, and the state of the Nation was again discussed. [Laughter and applause.] But we should let our old-fashioned Democratic friends think that matter over.

Incidentally, I have been charged upon more than one occasion—and I may be guilty of heresy—on more than one occasion, in Washington, of being an old-fashioned Democrat. If that is true, I have been very lonely. [Laughter.]

A discussion of the finances of government does not arouse emotions. Audiences do not rise upon their hind legs and dem-onstrate when there is a discussion of the dollars-and-cents side of government; yet if we think twice, I think we cannot escape the conclusion that the dollars-and-cents side of government is of extraordinary importance. I want to touch on it for a little

the conclusion that the dollars-and-cents side of government is of extraordinary importance. I want to touch on it for a little while here today.

You all are well aware of the fact, of course, that the Government of the United States has been running into a deficit for several years, and the national debt has been piling up billions upon billions. We were assured, as you may recall, 3 years ago, that the cost of government would be reduced by 25 percent. Perhaps some of you have had a chance to examine the Budget which was sent to the Congress something like 2 weeks ago. In it you will find this situation: That instead of the regular departments of government, the housekeeping items, if you please, being lower than they were last year, they are considerably higher. And then if you remember last year's Budget and the resultant appropriation bills, you will realize that the regular appropriations for last year were considerably higher than those of the year before; so it is now perfectly apparent that instead of the regular departments of the Government of the United States costing less than they did 4 years ago, they are costing a great deal more, the total increase approximating a billion five hundred million dollars. This is all outside of relief or emergency appropriations. These are the sums required or supposed to be required for the support of the ordinary departments of the Government.

It was contended in the Budget message that the Budget would be heleved by the end of the fiscal year 1937: that is the ordinary

It was contended in the Budget message that the Budget would be balanced by the end of the fiscal year 1937; that is the ordinary be balanced by the end of the fiscal year 1937; that is the ordinary Budget. No estimate was made, however, as to the cost—the coming cost—of relief, and we are now promised these estimates within 6 weeks or 2 months. Everyone knows, of course, that that cost will be high. Whether it will be a billion or two billion or more, no one can tell. We have no estimates. In any event, if we are optimistic enough to believe that the regular departmental expenditures can be balanced in the Budget—outgoing against revenue—if we are optimists enough to believe that, we are still faced with the incontrovertible fact that whatever is appropriated for relief for next year, will force us into another deficit.

Today, unless I am very much mistaken, the Senate of the United States is to vote upon the question of overriding the President's veto of the bonus bill. It seems to be conceded the Senate will override the veto; the House has already done so, much to my regret.

override the veto; the House has already done so, much to my regret.

In that event an expenditure of not less than \$1,000,000,000, and probably approaching \$2,000,000,000, will be incurred by the Federal Treasury. The bill provides that the money shall be borrowed in the form of baby bonds. Whatever is borrowed in that fashion, of course, will be added to the national debt.

The debt now figures around thirty-one billions; by that bill alone it may be raised to thirty-three billions. May I pause here and say that I rejoice in finding myself once more in company with my former colleague George Wharton Pepper [applause], who served his country with distinction in the United States Senate, but who served with even greater distinction when he made that splendid argument before the Supreme Court and assisted, no doubt, in that decision which goes far in saving our institutions. As the result of that Triple A decision, it is now pretty thoroughly understood that probably five hundred million more of obligations will be put upon the Federal Treasury.

How long can this go on? It is a very, very serious matter. Can we go on borrowing and spending at the present rate?

The immediate prospect is that we shall go on borrowing. The debt some day must be paid, if we are an honorable Nation.

We have but two other alternatives—one, utter and dishonorable repudiation, or, two, inflation.

I am not an economist—far from it—but I will confess to you that I am deeply concerned at some of the signs in the economic

that I am deeply concerned at some of the signs in the economic field, and I am wondering if we are already started upon a very,

neid, and I am wondering if we are already started upon a very, very dangerous road with respect to the soundness of our governmental finances and the soundness of our currency.

There are signs and signals which should give pause to every thoughtful person. It is to be hoped, of course, that in this respect we put aside all partisanship; that this administration may so act as to save us from such peril.

as to save us from such peril.

But in any event, and at the best, these huge debts and these huge deficits must, if we are an honorable people, be paid by taxes, and already the Congress is discussing the possible imposition of additional taxes. When we realize that 20 percent of all the income of the American people goes toward taxes today—Federal, State, and local—we get an idea of how extraordinarily serious this question of taxation has become. People have said to me, and doubtless to many of you, that it would be a splendidly helpful thing for this country if the youth of the land would become more interested in the discussion of public affairs of the State and of the Nation. That is absolutely true, for I cannot help but realize, as these debts pile is absolutely true, for I cannot help but realize, as these debts pile is absolutely true, for I cannot help but realize, as these debts pile up, and these frightful obligations grow larger and larger, that it is the youth of today that will pay the price. We who have passed the middle century mark will shortly, comparatively speaking, shuffle off the stage. It is the young men and women in their twenties today who will carry this burden during all their working lives. It is a grim prospect at best, this dollars and cents side of government; and if I may say so, it behooves the youth of today to realize and understand the future that is before it, and to know

the dire dangers that may beset them if this thing is not stoppedand stopped mighty soon

An administration which shall stop this orgy and balance this Budget at the earliest possible moment must be one equipped with courage, the courage to say "no" to thousands of people; the courage to say "no" to those people who have come to under-stand and believe that the Government owes them a living; the courage to reject panaceas and nostrums; the courage to cut appropriations; the courage to face the music regardless of its political future. It is that kind of service that this country needs today, and let us hope that it will get it in the very near future. [Applause.]

Now, let us turn to another phase of the situation, and it is with a good deal of trepidation that I do turn to it, because it

with a good deal of trepidation that I do turn to it, because it involves some constitutional features, and, being a layman, I think myself scarcely competent to discuss them in a profound way; and yet there are some simple aspects of it which I think are well within the understanding of the man on the street.

We have seen democracies in Europe perishing, step by step: great peoples high in the ranks of the civilized have abandoned the parliamentary form of government; have abandoned their democratic institutions and submitted themselves to dictatorships. The true liberal of 20 years ago is amazed and utterly discouraged

democratic institutions and submitted themselves to dictatorships. The true liberal of 20 years ago is amazed and utterly discouraged at what has been going on—the men and women who love liberty; and yet the movement, if we may call it such—the trend—is almost world-wide, and thoughtful people are wondering today whether democracy is going to disappear from the face of the earth. Only three of the really great nations still cling to it—Great Britain, France, and the United States. And we find in each of the three sure signs and indications that there are groups who would advise starting down the European path, substituting an authoritarian state for representative democracy.

I am not pessimist enough to believe that if we are wide awake this can happen in America, but I have seen and heard enough of the movement in this country to reach the conclusion that it is

this can happen in America, but I have seen and heard enough of the movement in this country to reach the conclusion that it is wise that we understand it and are prepared to resist it. And it should be resisted in its initial stages. Should it gather momentum, it may be difficult to stop. There are many people in this country who have reached the conclusion that the race has reached that stage at which it is wise and altogether better that the individual be subjected to the control of government as he attempts to earn his living; that the people would be happier, more prosperous, and more contented if a great central government should tell them from time to time how they are to proceed in this earntell them from time to time how they are to proceed in this earling of a living. These people visualize the race in the future as marching along the highway of life guided, controlled, indeed, disciplined, by superior wisdom lodged in government. I grant that most of them are perfectly sincere in this belief, and it is in accordance with this belief and in conformity with it that the so-called New Deal has gone about its work.

True, the Supreme Court, in the N. R. A. decision and again in the triple A decision and in perhaps one or two minor cases, has called a halt to it; for in its interpretations of our Constitution it has set forth the doctrine once more, often set forth in the past, that no such power lies in the Federal Government at Washington to tell men and women how they shall earn their living, and by inference that until such power is definitely given to our Fed-eral Government, that Government may no longer attempt such a program.

At a Jackson-day dinner in Washington 10 days ago it was announced on behalf of the New Deal, "There shall be no retreat." nounced on behalf of the New Deal, "There shall be no retreat." It must have become apparent to every thoughtful person that the so-called emergency measures which were passed in 1933, 1934, and the first part of 1935 were all a part of the program; they interlock in many ways; and it is the purpose of the President, the leader of this movement, and the purpose of his lieutenants to continue it if it is humanly possible. In some fashion or other they hope to get around the Supreme Court and perhaps through a system of subsidies produce the acquiescence of Americans to this new philosophy of government which teaches that all power resides at a central place and that the citizens must obey. This it is that lies underneath the whole program of planned economy which was well represented in the famous N. R. A. and again represented in the Triple A.

This it is that lies underneath the whole program of planned economy which was well represented in the famous N. R. A. and again represented in the Triple A.

I wondered at the time the Bankhead Cotton Control Act, for example, passed the Congress, how it was that people did not rise up in protest against it, because in that Bankhead Act, for the first time, I think, in the history of our Government, the element of force was introduced, to be employed against the citizens. That act is still on the statute books; my lawyer friends tell me that it is unconstitutional, but just for the moment let me tell you what it does. Congress, in that act, in its superior wisdom, decided it would be unwise and improper for more than 10,000,000 bales of cotton to be produced in the United States in the crop year of 1934; then went on to authorize the Secretary of Agriculture to allot to the cotton-producing States the number of bales that might be produced and sold in each State; further than that, it authorized him to go into each county in those States and allot the number of bales that could be sold in each county; then to go inside the county and step up to each cotton farmer and allot to him the number of bales he might produce and sell. Then the law goes on and states that if that man sells more bales than his permit calls for he shall pay a prohibitive tax on the

excess number of bales—a tax not expected to gain revenue; a tax intended to compel obedience. And then, mind you, if he sells excess bales without paying the tax he may be fined or imprisoned, or both. That was the first instance of the employment of force; the lifting up of a Federal policeman's club over the head of the citizen as he endeavored to earn his living on his own land. [Applause,]

I mention that in an endeavor to indicate and to demonstrate

I mention that in an endeavor to indicate and to demonstrate what lies underneath this whole system.

The Tobacco Control Act is exactly like the Bankhead Control Act—individual allotments, taxes, and penalties. If the allotment is exceeded, a prohibitive tax; if the tax is not paid, fine and jall. And the same with the Potato Act, the inevitable successor—once you start this thing it cannot be stopped. Spinach will be next. It contains the same penalties. If these people succeed with this present Congress in continuing their program by some devious method of getting around the decisions of the Supreme Court, inevitably the employment of force will appear; it must appear under any planned economy, because if government is going to do the planning of our lives, of course it must punish us if we refuse to abide by the plan.

the planning of our lives, of course it must punish us if we refuse to abide by the plan.

Now, there is your philosophy of planned economy; it rests upon force, just as it does in Germany today, just as it does in Italy and in many other European countries. These measures were the initial steps which, if allowed to go undisputed and undisturbed, were to take us away from democracy over to despotism,

A great fundamental question confronts the American people: What kind of government are we going to live under? Far more important than that, what kind of government are our children to live under?

If you take the economic plan and put it alongside the Constitution you cannot escape the conclusion that as the first proceeds to success it will tear down the other. For example, if our economic system falls in a crash as the result of piling up these debts, as the result of these huge deficits, as the result of unbearable taxation, you know as well as I know that in such a crisis our political institutions themselves, no matter how wisely founded, may also fall in a crash.

Nation-wide disturbances history tells us are most frequent and

Nation-wide disturbances, history tells us, are most frequent and most frequently approach and achieve violence when an economic system has been destroyed by unwise governmental action. And by the same token, the economic system can be destroyed, no matter how soundly or wisely it was founded, if the political institutions go through a revolutionary change and the whole rela-tionship of the citizen to his Government is transformed. To me stitutions go through a revolutionary change and the whole relationship of the citizen to his Government is transformed. To me the thing seems perfectly simple. There is nothing mysterious about the American conception of liberty, nothing whatsoever. The Bill of Rights is so easy to understand. There are some today who would take away from the Supreme Court the right to pass upon the validity of an act of Congress. It is an extraordinary proposal—an extraordinary proposal if it comes from any person who loves liberty. For example, to make it perfectly simple, supposing Congress passes an act establishing a censorship over the press, and a newspaper publisher citing that provision in the Bill of Rights which guarantees the freedom of the press, protests against the act of Congress as an invasion of his liberty which the Constitution promises him—where can he go? Where can he go for the protection of his liberty? He cannot go to the Congress that passed the act, nor can he go to the President who signed it; obviously he must go to the courts; but they propose that the Supreme Court be hamstrung. That means the end of liberty.

It affects the humble man much more importantly than it affects the rich and the powerful, for the humble man—the poor man—would be helpless in such an event. Step by step a vast bureaucratic government would be built up with none to say it nay, and the liberties of a great people would slowly perish.

nay, and the liberties of a great people would slowly perish.

I am an optimist in that I believe we can make this next cam paign in such fashion that he who runs may read; that every person in this land can understand the implications of the so-called New Deal, and the fundamental considerations which we have to face

First we have to stop these orgies of spending or we shall all go over the precipice together; second, we must rededicate ourselves to the American conception of liberty—the liberty of the man or the woman earning a living—and incidentally, relieve the back of that man or woman of an impossible burden of future taxation.

These things, my friends, in this rambling fashion I have tried to impress upon you. No one can tell what the immediate future holds. My friend Congressman Darsow and I are at a loss to prophesy what this Congress may do; but, thank Heaven, it won't sit very long; and it may be it will not make many more mistakes. But the mistakes that have been made already are so serious, so menacing to everything that this country has ever held dear, that we must them

Unless I am very much mistaken, we will do it next November. [Prolonged applause.]

TARIFF ACT, 1930

Mr. COOPER of Tennessee. Mr. Speaker, I rise to a question of the privilege of the House and present a resolution and ask for its immediate consideration.

The Clerk read the resolution, as follows:

House Resolution 406

Resolved, That the bill (S. 1421) to amend subsection (a) of section 313 of the Tariff Act of 1930, in the opinion of this House, contravenes that clause of the Constitution of the United States requiring revenue bills to originate in the House of Representatives, and is an infringemnt on the prerogatives of the House, and that said bill be respectfully returned to the Senate with a message communicating this resolution.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

THE NEW DEAL

Mr. WEARIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by inserting a speech I made at Grand Rapids, Mich., on January 8.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WEARIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following speech, which I delivered at a Jackson Day banquet in Grand Rapids, Mich.

Mr. Toastmaster, distinguished guests, and fellow Democrats, I appreciate the generous introduction of your most able toastmaster, Mr. Galt, before this splendid audience of Michigan Democrats. It Mr. Galt, before this splendid audience of Michigan Democrats. It is a great satisfaction to have this opportunity of speaking to you briefly upon a memorable day in the history of the Union, and especially after 3 years during which you have witnessed a marked improvement in business conditions. This afternoon I picked up a copy of one of your local newspapers and noted that you are having a convention of furniture dealers. In reading the account I discovered that even the Republican press is prone to admit that business is better. The dealers who have come to buy the products of your factories say the public is asking for a better product and a larger volume of it. a larger volume of it.

On the same front page of the same newspaper I noticed another article to the effect that General Motors reports a substantially better year in 1935 than in 1934, and another article indicating that

the Pennsylvania Railroad paid a \$1 dividend this year as compared to a 50-cent dividend last year.

As I look at the life of that great American, Andrew Jackson, and see the long, hard battle he fought against the national bank interests, it occurs to me that he had the same type of people opposing him that today are battling the New Deal and our great American President, Franklin D. Roosevelt. It was rather amusing to me to note an account recently of the fact that J. P. Morgan had just returned from one of his periodical grouse-shooting expeditions in Scotland, and stated that an American businessman was required to work 8 months of the year for the Government at present rates of taxation. Of course, I presume the distinguished American financier was not speaking of himself, because a recent Senate investigation brought out the fact that there were at least Senate investigation brought out the fact that there were at least 2 years during which he paid no income taxes whatever, and I am wondering if he paid any for the year 1935, with its improved business conditions. We have only to look at the market sheets of the newspapers, even those which are critical, to verify the truth of the latter statement. There were over 87 percent more men at work in manufacturing industries in Michigan in November 1995, then in March 1932. 1935 than in March 1933.

1935 than in March 1933.

We have had a long road to travel under the banner of the New Deal to reach such satisfactory goals. I remember that dreary day in March 1933 when a new Democratic administration came into power in Washington, with the economic outlook of the Nation equally as overcast as the sky. Thousands of people had gathered at the east front of the Capitol and stood close together forming at the east front of the captor and stood close together forming a vast sea of expectant faces centering their attention upon one man, Franklin D. Roosevelt, to whom they looked for leadership, and fortunately have not been disappointed. His brief inaugural brought a message of hope to the Nation, and even the business interests that were then on their knees pleading for help from the

Government that they now condemn were encouraged.

The new President's first day in the White House was one of the The new President's first day in the White House was one of the most trying experiences in his career, as the Nation's banking system was tumbling about our ears and the country had scarcely ever experienced a darker day with the possible exception of "Black Friday" under the administration of Ulysses S. Grant. From 1921 to 1933, 10,321 banks had failed, involving deposits of over \$5,000,000,000. Three hundred and six of those failures, involving deposits of approximately \$167,600,000, had occurred in Michigan. Since the inauguration of the Federal deposit insurance law you have had only one failure involving about \$48,000. I chose to give you the latter information lest your ambitious native son, who aspires to the Republican nomination for the Presidency, might forget to inform you of the fact. The financial situation I have described would not permit President Roosevelt to ponder or reason why, but demanded immediate action. He was enough of a statesman to issue a short, resounding declaration closing every

bank in the United States and demonstrating to the American people that there was one way to clear up our banking situation, and that was to start over again with a clean slate.

In that action he brought more assurance to individuals and

In that action he brought more assurance to individuals and American business than had been theirs for many years. When the Democratic Congress followed upon the heels of the incident with the insurance of deposits, more commonly called the Bank Guarantee Act, confidence in the financial institutions of America was completely restored. The deposits that are now guaranteed up to \$5,000 mean that every American home with a small bank account for its protection can rest more securely in knowing that there will be a tomorrow. Men can go forth to their work with the assurance that their little heap of savings will not be swept aside and their wives and children left hungry and in need of clothes.

The practically complete economic collapse in the United States at the end of 1932 and the beginning of 1933 necessitated emergency legislation in considerable volume. It was forthcoming from the Democratic Congress. At this point I might say that neither the Chief Executive nor the legislative branch of the Government expected every law to be perfect, but if we had stopped long to ponder the problem, the fiames of revolt would have engulfed the Nation. Out of the entire New Deal program has come innumerable progressive acts, as has been the case with Democratic administrations since the days of Thomas Jefferson, who was himself a liberal and a progressive, and who once said, in effect, "that in a true democracy one might very well rewrite the constitution every 10 years."

One of the problems of foremost importance after the banking crisis had been met and dealt with was to offer the destitute, bankcrisis had been met and dealt with was to offer the destitute, bankrupt farmers of this country a constructive program. For the first
time in the history of all agricultural legislation, producers of raw
products were offered a plan that actually brought them financial
returns in a substantial amount. I can see in the eyes of many the
question of unconstitutionality so recently raised against the program by the Supreme Court of the United States, about which I
will deal in greater detail a little later on. For the moment let it
suffice to say that the action of the Court impresses upon us vividly
the fact that the Democratic Party continues to be progressive; that
it continues in its full realization of the fact that this Nation is
changing, growing every hour. Under the agricultural-adjustment it continues in its full realization of the fact that this Nation is changing, growing every hour. Under the agricultural-adjustment program we have witnessed a rise in farm prices from 10-cent corn, 3-cent hogs, 4-cent cattle, 20-cent wheat, to 75-cent corn, 10-cent hogs, 14-cent cattle, and one dollar and a quarter wheat. Other farm commodities have risen in proportion, and the total farm income in the United States in 1935 was \$8,110,000,000, as compared to \$5,370,000,000 in 1932. In this great State of Michigan alone the corn-hog payments up to September 30, 1935, had totaled \$3,868,-266,95, and wheat payments \$1,502,056.86.

The administration realized that not only the price of farm commodifies was excessively low but the matter of protecting the financial status of farm producers was of the utmost importance. An act of Congress devised the Farm Credit set-up in the United States and offered a program of refinancing that, even though it has not been as extensive as some of us would have liked, has neverhas not been as extensive as some of us would have liked, has nevertheless brought a tremendous amount of relief to farm owners. This statement is true not only of refinancing mortgages but in the matter of a reduced interest rate that has been lowered from 5 percent to 3½ percent for the present year, following which it will be 4 percent for the 2 succeeding years, representing a saving in interest payments on the part of farmers of millions of dollars. In the United States today we have a total of 697,516 loans outstanding, representing a total of \$1,854,000,000 plus. In the State of Michigan since the new set-up of 1933 we find a total of 31,299 land bank and commissioners' loans, representing a total of \$56,208,000 that has been loaned to Michigan farmers at a substantial saving in interest rates. Your State has a total of 39,847 farm loans outstanding that have been made on the part of Federal Farm Credit agencies since the early days of the land bank in 1918, when the institution was inaugurated under the administration of Woodrow Wilson. tion of Woodrow Wilson.

In 1933 thousands of home owners in the United States about to lose their most treasured possessions that constitute, along with the farm units of the Nation, the foundation of America. The condition of banking institutions was such that they ca. The condition of banking institutions was such that they could not, and, furthermore, would not, make loans upon such properties. Private agencies of finance and mortgage companies were either unable or unwilling to assume the risk. Many of us are not for plunging the Government deeper and deeper into business, but when such a condition prevails it is necessary that something be done and immediately. The Congress passed the Home Owners' Loan Act. In many respects it has not functioned in as satisfactory a manner as might have been the case and perhaps mistakes have been made from time to time, but, generally speaking, the results have been beneficial. I find that up to December 26, 1935, the Home Owners' Loan Corporation had made a total of 968,944 loans representing a total value of \$2,931,324,917. In other words, almost a million home owners would have been turned out 968,944 loans representing a total value of \$2,931,324,917. In other words, almost a million home owners would have been turned out into the street had it not been for the action of the new administration in coming to their rescue. The Government did not go into business except insofar as it was necessary to protect its citizens and to meet a situation that private finance could not, and would not, handle. In the State of Michigan, which has received more home owners' loans than any other State in the Union excepting Ohio, 76,341 homes have been saved, representing a total loan value of \$221,217,637. value of \$221,217,637.

Another of our tremendous problems with which Mr. Roosevelt and the leadership in Congress were faced was the matter of feeding and clothing the millions of people who had been thrown out of work during the previous administration of Herbert Hoover as a result of an economic program that was evidently not intended for their general welfare. There has been considerable criticism of the administration of relief throughout the United States, and the hue and cry has gone up that the party in power would bankrupt the Nation. In the first place, the problem of caring for the unemployed was not a condition created by the Democratic Party but one that was saddled upon us at the very beginning of our administration, and that situation ought to be a fairly complete answer to many of the critics. Furthermore, if we had failed to rise and meet the occasion the cost of damages to property on the part of cold and hungry people might have totaled far more than our present bill for Federal relief or else local agencies of taxation and cities such as Grand Rapids, Mich., would have been forced to care for their own unemployed.

Now, just as soon as it was possible for us to devise a substitute

would have been forced to care for their own unemployed.

Now, just as soon as it was possible for us to devise a substitute program we launched the Public Works Administration and later the Works Progress Administration with a view to doing a number of things: In the first place, bringing an end to the business of relief, which is distasteful to the recipient, and at the same time furnishing jobs to the people who need them and offering the community affected a constructive program of public works that enhances the value of the property near them, as it increases the total value of national assets. Upon every hand we hear those who say that these things must be paid for, and that is true; but let us analyze the situation. It is better to pay for a failure to properly manage the economic affairs of the Nation with money than with blood. A considerable portion of the funds expended for that purpose will be repaid to the National Treasury, and the total investment will, as I said a moment ago, enhance the value of property and increase the Nation's assets. The entire program can and will be brought to an end just as soon as private industry is again able to reemploy the larger percentage of the people who are out of work. are out of work.

are out of work.

The question of the constitutionality of the New Deal is of interest at this particular time. The fact that the N. I. R. A. and the Agricultural Adjustment Act have been set aside by the Supreme Court is an indication of the fact that the Democratic leadership of the Nation continues to be progressive and to recognize the fact that conditions are changing constantly from day to day, thus necessitating the drafting of legislation intended to meet and cope with them. A good example is the fact that all of our tillable free land of any value has been homesteaded or entered, the growth of the machine age has complicated the labor problems of the country, the development of rapid interstate transportation that could not the machine age has complicated the labor problems of the country, the development of rapid interstate transportation that could not have been foreseen in 1775 has given rise to the necessity of legislation of a type that I dare say our forefathers would be able to see themselves if they were to enter the Halls of Congress during the present session. In a nation of varied interests and far-flung borders that is governed by a written Constitution there must be a liberal interpretation of the document, or frequent amendments if the country is to continue its growth and development.

We have witnessed the adding of innumerable amendments to the historic document that is no more sacred to the Old Dealers of the 1932 panic that brought American business to the brink of

the historic document that is no more sacred to the Old Dealers of the 1932 panic that brought American business to the brink of chaos at the end of 12 years of their rule than it is to the New Dealers. The Bill of Rights was added in the early history of the Nation; provision has been made for the election of United States Senators by the electorates of the respective commonwealths; personal incomes have been made taxable, and women have been enfranchised. In the face of these facts, are there still those who stand at the wailing wall crying that the Constitution must not be touched? George Washington once wrote to a friend at the conclusion of the Constitutional Convention to the effect that in his judgment the document was far from perfect but that it conhis judgment the document was far from perfect but that it constitued a good beginning.

his judgment the document was far from perfect but that it constitued a good beginning.

A few days ago I met a reactionary on the streets, living in a dreamland of long ago, when personal liberty could be used to the extent of capitalizing upon the very souls of the masses who work for a living with their hands and who form the foundation of American past, present, and future. He told me that American business and the American public are afraid to go ahead because of the acts of the present administration. I said, "What are they afraid of? Are they afraid of having their bank deposits guaranteed up to \$5,000, are they afraid of having their homes saved when private financial institutions fail to save them, are the people of America afraid of having the uncertainty of poverty in old age swept aside with social security legislation, are they afraid of being protected in their dealings in securities, are they afraid of having their national wealth increased with a program of self-liquidating public works, are they afraid of a power-development program to bring cheap electricity into homes that are warped with drudgery, are they afraid of legislation to prevent the overcapitalization of industry that heretofore has resulted in their being fleeced out of millions of dollars for worthless watered stocks and bonds, are the American farmers afraid of 75-cent corn, \$1.25 wheat, 10-cent hogs, 14-cent cattle, 11-cent cotton, and 18½-cent tobacco, as compared to 9-cent corn, 20-cent wheat, 2-cent hogs, 4-cent cattle, 6½-cent cotton, and 10½-cent tobacco in 1932, are they afraid of having their farms refinanced at a saving of from 1 to 1½ percent, are they afraid of Federal loans on their agricultural products affording them an opportunity to await the

arrival of satisfactory market conditions, is anyone afraid to have the unemployed of this Nation fed through the productive agency of the Public Works or Works Progress Administration until such time as American industry becomes sufficiently rehabilitated to absorb them, is either the American public or American business afraid of the generally improved economic conditions since the advent of the New Deal as evidenced on the market pages of every newspaper in the United States be it hostile or friendly to the program?"

If the program I have outlined to you and the results thus far are not acceptable to the critics, then what would they offer in its place? We gather, as President Roosevelt said in his recent message to Congress, "that they would take us all around the same old corner into the same old dreary street." God forbid! Let us continue to march to recovery. Let us trust our efforts to protect the right of the masses to toil, to earn their bread, and to live in the hope that tomorrow will be a better day may still prevail.

THE DEMOCRATIC RECORD UNDER FRANKLIN D. ROOSEVELT

Mr. RICHARDSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a speech delivered by my colleague [Mr. Haines] at Dover, Del., on January 23.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RICHARDSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following speech delivered by my colleague, Mr. Haines, before Booster Democratic Club, at Dover, Del., on January 23:

cratic Club, at Dover, Del., on January 23:

Very soon the people of this Nation will be called upon to vote for a President of the United States for the period 1937-41. Already we are in that campaign, and from now on you will hear a great deal concerning the accomplishments of the Democratic Party under the wise leadership of one of the greatest humanitarians of all time, Franklin D. Roosevelt. The record of Mr. Roosevelt is subjected to the most vicious attacks ever uttered against any man, and it is most fitting that I should upon this occasion refresh your memories and call to your attention the accomplishments of my party during the last 3 years. I think that the attacks upon Mr. Roosevelt are purely political and that it might be well for the voters to realize as they read and hear of the President's alleged shortcomings that the men who are assailing him belong to the same crowd who failed so miserably to solve the problems that confronted the Nation during a period of time prior to the administration of the Democratic Party. First of all, I want to have you observe that these men want to get to public office, are aspiring to high honors, for which they failed to prove themselves fitted during a period of the dark days of the recent past. Of course, they expect the people to listen to them; but, thank God, the electorate of this country are not going to be deceived, nor permit themselves to be exploited, for the selfishness of those who would want to destroy the efforts toward industrial and social security and the splendid gains we have made under this administration.

Now, my friends, lest we forget, let our memories take us back to the dark days or preceding March 4, 1933, and examine the record and

destroy the efforts toward industrial and social security and the splendid gains we have made under this administration.

Now, my friends, lest we forget, let our memories take us back to the dark days preceding March 4, 1933, and examine the record and find what the condition of the country was under another administration. I say to you that the country was in utter despair and chaos, and also say to you that this is not an exaggeration. The awful picture of desolation that obtained at that time, a picture that one might paint in words, simply fails me, for we had a great mass of humanity that did not know what to do or where to go. We were a panic-stricken, bankrupt people in a great land of full and plenty on every hand, and yet we had hungry men and women and little children in our large centers of population destitute and homeless, roaming from one place to another, eking out a living by the generosity of another group almost as hopeless, and who saw no bright horizon that might offer them courage and inspiration. The ghastly specter of hunger and privation, bringing untold suffering, chilled the huge ranks of the unemployed with stark fear and burdening them with a sense of hopelessness and destruction. I say to you, ladies and gentlemen, it was the coming of Franklin D. Roosevelt at that time that saved the Nation and brought cheer and hope into the breasts of millions of fine Americans who were about to give up.

A voice rang out on that eventful day of March 4, 1933, saying. "No one is going to starve in this country", and because that promise has been kept and men and women have been helped men

A voice rang out on that eventful day of March 4, 1933, saying "No one is going to starve in this country", and because that promise has been kept and men and women have been helped, men and women in every walk of life, Mr. Roosevelt is having an abuse heaped upon his head that comes to very few men, or has ever come to men at any time. It is not the first time, however, that men have been abused for taking up the cause of the masses. George Washington was abused, Lincoln was abused, Thomas Jefferson, and Andrew Jackson. Woodrow Wilson was crucified by powerful political enemies, and even today some men in high places would like to drag his fair name through the dirt and the slime, which is the most shocking thing that can come from men who call themselves patriots. It is not for me, however, to rise here and defend those great men, for their records have been made, and you and I have been made better by their having lived and toiled and sacrificed. Only recently a memorial was dedicated to the memory of another great American who was greatly abused in his day because he had the courage to go to the defense of the

common people of our country and attempted to drive special-privileged classes from their high places, and who were contribut-

privileged classes from their high places, and who were contributing to inevitable economic disaster.

We are erecting monuments to their memory, and rightfully so, and I predict here and now that when the pages of history are written of this day in which you and I live no name will be more honored than our own beloved President. Great men in history are not so easily debunked. Washington, Lincoln, Jefferson, Jackson, Wilson, and Theodore Roosevelt are just as magnificent today and will continue so. They stand today and will as at any time, and will continue so. They stand today, and will continue to stand, as great statesmen, humanitarians, and idealists in public affairs, worthy leaders of the world's people and whose most painful griefs must have been their betrayal at the hands of their misled fellow countrymen.

What was the condition of our people in the 1921, 1932, and carly

What was the condition of our people in the 1931, 1932, and early 1933 period? The farmers, which comprise one-third of our population, could not sell their produce because the millions of city and town people could not buy. They had no purchasing power, for mark you, my friends, this country can no more go on half prosperous and the other half destitute than we could hope to go on half slaves and half free.

The farmers were bankrupt and a million farmers lost their farms during those dark days. Industry was practically at a standstill, and their plants stood still like stark sentinels of despair. and their plants stood still like stark sentinels of despair. Between the years 1920 and 1932 more than 10,000 banks closed their doors, and many of those banks did not reopen; in fact, some of them paid no dividends to their depositors and some of them had to call upon their stockholders to make good their losses, bringing untold hardship upon many persons unable to pay, taking from many of them all that they had accumulated during their lifetime. What a calamity that was, and will it ever be forgotten? I know something about this, my friends, for I heard from many men and women who were the victims of that financial crash. The courage of Mr. Roosevelt saved the day, and his action in declaring a bank holiday gave us a breathing spell and saved our people from making runs on banks that would have led to complete financial disaster.

You hear a lot of talk today about throwing away the taxpayers' money, and it is a lot of loose talk, to say the least. We hear a lot about our national debt, and let me say right here that it is doubtful if any country in the world can show a more constructive achievement for a like period than that accomplished by this administration. Since that bank holiday and the passage of one of the major New Deal acts, namely, the Federal deposit insurance law, bank failures have been few and far between, and when they do occur no one pays any attention to it, for each depositor knows that his or her money is secure, and in each such failure under this New Deal act depositors are paid off almost immediately. I want you to remember that under Mr. Hoover's administration from 1930 to 1933 there were 5,500 failures, which brought sorrow and death—many of them untimely—into many homes, and when I hear people to 1933 there were 5,500 failures, which brought sorrow and death—many of them untimely—into many homes, and when I hear people say that they want to go back to that administration, back to that Old Guard, I ask myself the question, Are these people sincere? Today our banks are safe, safer than at any time in our national history, and the work of relief is progressing, even though we are faced with obstacles never dreamed of in March 1933. Those were the days, my friends, when thousands or more of my own people wrote me letters, sent me telegrams, urging me to back up the President; go along with anything he might request; and now I am sorry to say that some of that same group are very loud and vociferous in their abuse of the President. They want to make me feel that everything that was done is wrong, even though they have been rescued, and I sometimes feel like saying that they want to bite the hand that fed them.

Businessmen are not consistent, because the record is before us

to bite the hand that fed them.

Businessmen are not consistent, because the record is before us, and I note that unemployment has declined on January 1 over January 1, 3 years ago, 30 percent; cotton has advanced 92 percent; wheat has advanced 111 percent; corn, 152 percent; industrial production, 51 percent; steel, 25 percent; automobiles, 326 percent; wholesale prices, 33 percent; total exports, 33 percent; imports, 37 percent; listed stocks, 134 percent; and listed bonds, 22 percent; and a 19-percent advance in power production; and yet, if you read the headlines and editorial pages of newspapers, you would reach the conclusion that the country is going to the dogs. These are not substantiated by facts, but unfortunately more than 80 percent of the newspapers in this country are either controlled by our opponents or these editors have an ax to grind. Surely a study of these facts should convince any intelligent man or woman that we are on the way toward economic recovery. Back in 1930 we passed a tariff bill that was the beginning of the end in this country. A thousand economists and thousands of other businessmen begged the Congress not to enact that legislation, and an men begged the Congress not to enact that legislation, and an equal number appealed to Mr. Hoover not to sign it. It became a law, and immediately we felt its evil effects upon our economic

Let me give you the record and you can draw your own conclusions: In 1929 we sold about five and one-fourth billions of dollars worth of American products to other countries. After this act we immediately experienced a loss of trade, so that it went to less than four billions in 1930, went down to less than two and one-half billions in 1931, and a little more than a billion and a half in 1932. Think of it, a loss in trade with other countries to the tune of almost \$4,000,000 in 4 years. And yet we have a great many people in our country today who think that other nations will buy from us if we don't buy from them. It was Mr. Hoover's scheme to

send American salesmen to other countries and sell our products, and, wise as he is, he failed to take this into consideration. As a result, many of our manufacturing plants that previous to that Tariff Act produced the finished article in this country found it necessary to take billions of American capital and erect plants in foreign countries, thus throwing out of employment millions of Americans. Places do not misunderstand and Lawrence foreign. Americans. Please do not misunderstand me; I am not a free-

I believe in an adequate tariff for the protection of American workmen, but I do not believe that we can hope to employ American workmen and sell our surplus to other nations unless we will in turn, buy from these countries. Today we have a balance of trade with most of the countries in the world. They want our products and we can sell to them, but not upon a basis of a prohibitive tariff that will not permit the nationals of other countries to enjoy some of our markets. No group in America has been more affected than the farmer. He must buy his machinery in a highly protected market and sell at such prices as he can obtain at home without any market to unload our surpluses. Our party nighly protected market and sell at such prices as he can obtain at home without any market to unload our surpluses. Our party is not the enemy of legitimate business and never has been. It is the enemy of the exploiter and those who want everything for themselves without regard to the interest of the masses. Business has benefited under the New Deal, as is evidenced by these better trade figures. Let us briefly examine the record of the New Deal activity in behalf of business recovery. I represent a great industrial district in the United States. We make a greater variety of the finished product than perhaps any other section of the country.

I know that under the N. R. A. my people were benefited, although some few groups may not have had that experience. Since the N. R. A. was declared unconstitutional labor in my district has had to work longer hours and at reduced rates of pay, district has had to work longer hours and at reduced rates of pay, and thus their purchasing power has been reduced. How can men buy from you if you don't put a purchasing power in their hands; and after years of personal experience I say to you that at no time does business make money when those who toil for them do not receive an adequate pay. They may have some temporary prosperity, but in the long run they experience just the reverse. I have some industries in my district right now that would like to go back to the N. R. A., and also have some industrial plants that are still operating under the codes they agreed upon and are just as successful and I am sure will have more permanency than those who are now exploiting men and women in their plants, those who are now exploiting men and women in their plants, working them long hours, and are giving them low pay. There are some things that businessmen simply won't learn, and one of them is that if their business is to prosper those who toil for

them must prosper.

N. R. A. was declared unconstitutional and, of course, we are a constitutional government and abide by that decision. I believe constitutional government and abide by that decision. I believe that in this modern day of mass production and labor-saving machinery, labor-supplanting machinery, chain distribution we have no right to interpret the act of our fathers, those who founded this Nation, other than in the light of this modern day, for the day in which you and I live differs from their day as does night from day. I believe that if those men could come back they would say to us that they had in mind the general welfare of all our people, and that when the general welfare of our people cannot be secured under that document, it is time that it be interpreted in the light of what our founders had in mind. This administration has been and wants to be the friend of business, but it wants the small businessman to have an equal opportunity to build for himself and his posterity.

but it wants the small businessman to have an equal opportunity to build for himself and his posterity.

Let us look for a moment at the record under the New Deal, and then you draw your own conclusions. Recently a group of great businessmen—with great wealth, I mean—announced that they wanted to organize to defeat all who had any part in the New Deal. It is interesting to examine the record and see just how that group has prospered under the New Deal, and I want to read to you some facts that are interesting. Their own reports show how the New Deal has ruined their business. I want to mention four of these outstanding businessmen and their connections with business and show to you just how they prospered rather than suffered under the outstanding businessmen and their connections with business and show to you just how they prospered rather than suffered under the New Deal. These men have agreed to put their shoulders to the wheel because they say that they believe in a government of laws, not of men. They say that they believe in preserving for a younger and future generation the same opportunities for advancement that they have enjoyed. Now, let's see how badly they have suffered under the New Deal. The chairman of this powerful group is said to be Mr. William C. Bell, president of the American Cyanamid Co. You will note, please, that this is the company that tried to secure control of Muscle Shoals, and might have succeeded if it had not been for courageous Senator Norms.

On March 4, when President Roosevelt was inaugurated (1933).

had not been for courageous Senator Norris.

On March 4, when President Roosevelt was inaugurated (1933), the common stock of that company was quoted at 3½. Recently it was selling at 30¼. The profits of the company in 1932 were reported as \$1,542,908. For 1934 they report profits of \$3,846,720, or more than 100-percent increase. The New Deal was certainly injurious to that concern. The second member of that powerful group, Mr. Ernest H. Weir, head of the National Steel Corporation—you will recall it was his concern (the Weirton Steel Co.) who led the fight against the collective hargaining provisions of the N.R. A. the fight against the collective bargaining provisions of the N. R. A. On March 4 National Steel common stock was 15\frac{1}{2}, and only recently it sold at 83\frac{1}{2}. In 1932 the net income of that corporation was \$1,662,920, but in 1934, under the New Deal, the net income was \$6,050,721, and for the first 9 months of 1935 the net income is reported as amounting to \$8,603,758, or nearly seven times what

it was during the last year of the previous administration. The New Deal certainly did hurt (?) that corporation, and who can blame them for wanting to defeat Mr. Roosevelt?

blame them for wanting to defeat Mr. Roosevelt?

Another member of the powerful group organized to defeat Mr. Roosevelt and his Democratic followers is Mr. Sewell L. Avery, president of Montgomery, Ward & Co. On March 4, 1933, the common stock of that company sold for 8%. Recently it sold for 40, and their own statement, issued January 1, 1933, showed a deficit of \$5,598,554. Its last statement covering a 12-month period report ending January 1, 1935, the company showed a profit of \$10,807,636, or a clear gain of more than \$16,000,000. Did the New Deal hurt that corporation?

The fourth member of the war-chest committee—the committee who is to see that millions of dollars are collected to be used to

The fourth member of the war-chest committee—the committee who is to see that millions of dollars are collected to be used to defeat Mr. Roosevelt—is Mr. A. W. Robertson, chairman of the board of the Westinghouse Electric & Manufacturing Co. On March 4, 1933, the common stock of that company sold for 30¾. Recently it sold for 98½. The company's earnings statement shows that for the calendar year 1932 they lost \$8,903,540, but for the first 9 months of 1935 they made a net profit of \$8,822,640, or a gain of more than seventeen and one-half millions of dollars. Now, tell me, please, how can these gentlemen justify any organization to defeat a man or a party who has brought into their own coffers such increased profits?

coffers such increased profits?

coffers such increased profits?

These four concerns show profits of about \$40,000,000 in excess of the last year under the previous administration. Let us ask, please, that if \$40,000,000 won't please them, what will? The answer is clearly stated by a writer in a recent article in a great newspaper: "These men prefer power to profits; not that they love profits less but they love power more." Their real reason, therefore, is not that they have experienced an injury to their business but they are afraid that their power has been curbed, and that for once in the history of the Nation the people have some leadership that does not fear them or will allow them to dictate. The real reason, however, is that this administration wants those best able to pay taxes to make their fair contribution and has indicated that those least able to pay shall not be burdened. It is the fear on the part of these best able to pay that for one time they shall pay their fair share of the Government expenses, something they have never done.

Another charge that is aimed against Mr. Roosevelt and his ad-

June 30, 19	31, deficit	\$902, 717, 000
June 30, 19	32, deficit	3, 153, 097, 000
June 30, 19	33, deficit	2, 163, 760, 000

6, 219, 574, 000

or almost one and one-quarter billions more than we have spent on relief. A close examination of that deficit will reveal that most of relief. A close examination of that deficit will reveal that most of the money was given to the great interests of this country to rehabilitate themselves, but just as soon as we go to the rescue of the smaller groups, the poor and the needy, those who have suffered most, we are the subjects of the vilest abuse on the part of the American Liberty and American Lobbyist League, the Economy League, and the Republican Party. I would have you know that in the previous administration they never worked on a balanced Budget. I believe it would have defeated the very purposes we are seeking had we increased our tax rates to the point where we could have worked on a balanced Budget, especially in a time when business was trying to recover and the Governorm. cially in a time when business was trying to recover and the Gov-ernment had to go to the aid of the States and municipalities to save a revolution. Many of these States and municipalities could no longer care for their own, some of them had laws that would not permit them to borrow another dollar; hence, the strong arm of the Federal Government had to go to their rescue, and it ill becomes any class of people to find fault with a government who

did so much for them; and deny it to others.

Do you know, my friends, that Mr. Roosevelt has cut the running expenses of your Government almost a billion dollars for the same kind of government, and had it not been for relief and the loans made to industry, railroads, banks, insurance companies, farmers, and small home owners, we would now be working on a balanced and small home owners, we would how be working on a balanced Budget. Much of this deficit under Mr. Roosevelt has been brought about through loans made, and your Government has recoverable assets running into more than \$4,000,000,000, secured by the best security in the world, the farms, homes, and securities held as collateral. We are paying less interest on our present national debt than we paid on the debts of 1932, due to refinancing and the lower interest rates we have been able to obtain. We have tried to reduce unfair trade practices among business men. We have tried to banish the sweatshop; we have tried to eliminate child labor, and have been working toward better working conditions for labor and better mutual understanding between employer and employees. We have by evolution, rather than revolution, tried to inaugurate a system of equitable distribution of net profits in business and industry, and laid the ground work for social and economic safety for employees and employers by planning unemployment insurance. unemployment insurance.

unemployment insurance.

Whether we shall realize these fine objectives may rest with the Supreme Court. Have you heard it said that we should copy the plan of Great Britain and that she has made greater strides toward recovery? Well, let's examine the record once again, and we find that England was in a depression 10 years ahead of us and that she is only now emerging with some degree of success. It must be remembered that England had no great agricultural problem to solve; she had no great banking system break-down; she did not experience the unloading of more than \$25,000,000,000 worth of bad securities on an unsuspecting investing public, for she has a securities act that prevented it; she had no labor troubles such as confronted the United States, as labor in England is better organized than in any other part of the world; and she has experienced a labor government in the past and is 25 years ahead of us in social security; indeed, we must hang our heads in shame and admit that we are the most backward nation in all the world among the great civilized nations; and yet, notwithstanding all of this, we have a well-organized and financed group in America who would try to prevent all of this humanitarian and advanced program for national security.

in America who would try to prevent all of this humanitarian and advanced program for national security.

If we taxed our people as England does hers, we would never have had need to borrow a dollar and would today be working on a balanced Budget with no public debt. And yet England's public debt is \$33,000,000,000 among 46,000,000 people, or a per capita debt of \$717. France, with a population of 42,000,000 souls, has a debt of \$22,000,000,000 and a per-capita debt of \$524, while we here in this country, with a population of more than 125,000,000, have a per-capita debt of \$238. The national resources of our great country are fairly estimated at about \$350,000,000,000. We have a public debt of a little more than \$30,000,000, which is less than country are fairly estimated at about \$350,000,000,000. We have a public debt of a little more than \$30,000,000,000, which is less than 10 percent of our assets. What bank or bankers makes a safer loan

10 percent of our assets. What bank or bankers makes a safer loan than that to any person, firm, or corporation? No nation in all the world can show such a fine financial statement, and the increase of national income during the past 3 years has been responsible for this, so that today your country is as sound as it has ever been in its entire history. We had some boom days in the period from 1920 to 1929, but we now know it to have been unsound and was simply pointing the way to economic disaster.

When you realize that the profits of corporations and big business increased as much as 200 percent and that wages decreased as much as 62 percent you can easily solve some of the causes for the ills that have beset us on every hand. The New Deal has tried to correct these inequalities, and will do it if not prevented by the Supreme Court. Every political candidate has promised to help the farmer, but the A. A. A. Act passed in 1933 was the first successful plan for freeing the farmer from starvation prices and bitter poverty. Recently a farmer wrote me a letter advising me that he sent a truck load of corn to a dealer in my home town. for which he was paid \$168. In 1932 that same truck load of corn

bitter poverty. Recently a farmer wrote me a letter advising me that he sent a truck load of corn to a dealer in my home town. for which he was paid \$168. In 1932 that same truck load of corn would have yielded him just \$54. That, I think, is an argument that needs little more defense on my part; but we all know that during the past 2½ years agriculture has been climbing out of the severest depression in the history of the country. All our wealth comes from the soil. Our factories simply process that which we obtain from the soil, from the forests, the mines, and the lower regions, which in our country seem to be generous with oil.

Deny to the soil that to which it is entitled and it affects every man, woman, and child in the towns and cities. You have never known the Nation to prosper unless these men who till the soil and work the mines are prosperous. When anyone criticizes something that is being done and says that it should not have been done, ask him: What acts operating would you now do away with? Do you want to do away with the Securities and Exchange Act? Do you want to do away with the Banking Act that for the first time in the history of your country gives the control of the money and the Nation's credit into the hands of the Government instead of Wall Street? Do you want to do away with the Deposit Insurance Act that has done more to restore confidence in our banks than anything else and which has made our banks the safest in our entire history? We don't want our people to hide their money in socks, or under the carpet, or in the ground. We want them to give it to our banks so that it can be used in commerce and business so as to give employment, and, having made our banks sound and safe for all our people, there is no need for any of our citizens to withhold their money from our financial institutions.

Would you want to do away with the agency made possible by tutions

Would you want to do away with the agency made possible by the Farm Credit Administration that has saved more than a million farms from being sold under the sheriff's hammer? Would you want to do away with an act that has made possible the saving want to do away want to do away with an act that has made possible the saving of more than 900,000 homes—small-home owners in America? Do you want to do away with an act that is the beginning of better days for our aged, our cripples, our blind, our under privileged; aid for the mothers and other humanitarian benefits to a group who can least aid themselves? Do you want to do away with an act that enables the unemployed to find work or prevents men, women, and children from starvation? Of course, we should like to do away with relief; but until our industrial leaders can give employment to that group and States and municipalities can take care of their own, I think under the New Deal we shall continue to manifest an interest in the people of America. England has had a dole and has contributed much to her economic difficulties, and she is beginning to realize it, for she is appropriating much greater sums, comparable to our own great country, than we have through public-work projects somewhat similar to our own.

Personally, I should much prefer giving a man a job than to hand him a dole, no matter what kind of a job it might be. Would you want to have your Government discontinue its aid to the great host of young men who are being rehabilitated in C. C. C. camps, taking

of young men who are being rehabilitated in C. C. C. camps, taking these young men from the street corners and places of ill-repute, where the boy who has nothing to do will loaf? We have aided almost three-fourths of a million of these young men, sending many of them into fields of usefulness, have built them physically, but above all we have given them a job so as to contribute to their own self-respect. The New Deal has done all of this and more, too; so much, my friends, that I could go on and speak for a very long time, for I believe in the great work that is being done and which can continue to be done in behalf of a great country. When you hear of the great sums the New Deal has cost, point to what has been accomplished. While we have spent billions, we have also added to the wealth of the Nation to the tune of billions, but

also added to the wealth of the Nation to the tune of billions, but above all we have contributed to the moral uplift of men and women who were about ready to give up.

What suits you best, my friends, Hoover, who offers you nothing but promises and whose recent address on the farm solution was really a part of the New Deal, all of which the Supreme Court destroyed—Hoover and his kind, who will leave no stone unturned to destroy the affection the people of this Nation hold for their President; Hoover, misery and disaster—or Roosevelt, progress and hope? Which do you prefer; to stand pat with these reactionaries for privileges for the few or to move forward with Roosevelt to a sounder and more equitable prosperity than we have velt to a sounder and more equitable prosperity than we have ever had before? "Where do you stand; with the dead past or the living present and the glowing future?" I hope that when given an opportunity you will be ready for the question and do your full duty for a greater and more prosperous Nation under Roosevelt.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 4178. An act for the relief of the International Manufacturers' Sales Co. of America, Inc., A. S. Postnikoff,

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 31 minutes p. m.) the House adjourned until tomorrow, Thursday, January 30, 1936, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

635. Under clause 2 of rule XXIV, a letter from the Secretary of Commerce, transmitting a draft of a bill for the relief of Charles E. Molster, was taken from the Speaker's table and referred to the Committee on Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEITER: A bill (H. R. 10707) to provide for control and regulation of coin-controlled amusement devices and to levy a tax upon each licensed device to be paid to the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. CARTER: A bill (H. R. 10708) to authorize the acquisition of lands in the city of Alameda, County of Alameda, State of California, as a site for a naval air station, and to authorize the construction and installation of a naval air station thereon; to the Committee on Naval Affairs.

By Mr. CURLEY: A bill (H. R. 10709) to amend the Emergency Relief Appropriation Act of 1935, limiting employment of labor and loans of Federal funds to citizens of the United States; to the Committee on Appropriations.

By Mr. GIFFORD: A bill (H. R. 10710) to establish protective tariff on all importations of frozen and/or canned scallops; to the Committee on Ways and Means.

By Mr. GREEN: A bill (H. R. 10711) to provide for the construction of a marine hospital at Jacksonville, Fla.; to the Committee on Merchant Marine and Fisheries.

By Mr. KING: A bill (H. R. 10712) to authorize the transfer of land from the War Department to the Territory of Hawaii; to the Committee on Military Affairs.

By Mr. MANSFIELD: A bill (H. R. 10713) to authorize the acquisition of a site and the erection thereon of a Federal building at Freeport, Tex.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10714) to authorize the acquisition of a site and the erection thereon of a Federal building at Hallettsville, Tex.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10715) to authorize the acquisition of a site and the erection thereon of a Federal building at El Campo, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. MILLARD: A bill (H. R. 10716) securing memorial for John Jay, first Chief Justice of the Supreme Court of the United States; to the Committee on the Library.

By Mr. RANDOLPH: A bill (H. R. 10717) to provide for the holding of an examination by the Board of Optometry of the District of Columbia for a limited license to practice optometry in the District of Columbia for Welton B. Hutton; to the Committee on the District of Columbia.

By Mr. SMITH of West Virginia: A bill (H. R. 10718) to provide for the construction of a post office at St. Albans, W. Va.; to the Committee on Public Buildings and Grounds.

By Mr. WITHROW: A bill (H. R. 10719) to provide for surplus reduction in the dairy- and beef-cattle industries, and for other purposes; to the Committee on Agriculture.

By Mr. BARRY: A bill (H. R. 10720) to amend subsection (d) of section 1463 of chapter 12, title 12, of the Code of Laws of the United States of America, relating to the amortization of mortgages of the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

By Mr. McCORMACK (by request): A bill (H. R. 10721) to pension men who were engaged in or connected with the military service of the United States or State troops during the period of Indian wars and disturbances, and the widows of such men, and for other purposes; to the Committee on

By Mr. REECE: A bill (H. R. 10722) to amend the World War Adjusted Compensation Act; to the Committee on Ways and Means.

By Mr. O'LEARY: A bill (H. R. 10723) for the creation of an island to be used for all purposes, particularly a flying field and aviation terminal, on Red Hook Flats, sometimes known as Brooklyn Flats, in New York Bay, N. Y.; to the Committee on Rivers and Harbors.

By Mrs. NORTON (by request): A bill (H. R. 10724) to amend the charter of the Washington Gas Light Co., and for other purposes; to the Committee on the District of Columbia.

By Mr. McMILLAN: A bill (H. R. 10725) authorizing the Secretary of Commerce to convey the Charleston Army base terminal to the city of Charleston, S. C.; to the Committee on Merchant Marine and Fisheries.

By Mr. AYERS: A bill (H. R. 10726) to authorize payment to the Indians of the Fort Peck Reservation of the amounts due on certain delinquent homestead entries; to the Committee on Indian Affairs.

By Mr. BELL: Resolution (H. Res. 405) authorizing and directing an investigation of all persons, groups, etc., promoting old-age pension schemes; to the Committee on Rules.

By Mr. COOPER of Tennessee: Resolution (H. Res. 406) relative to the return of the bill S. 1421 to the Senate.

By Mr. DARROW: Resolution (H. Res. 407) calling upon the Secretary of the Navy for information concerning the failure of the Marine Band to fulfill its engagement to render a musical program at a meeting of the Women's Patriotic Conference on National Defense; to the Committee on Naval Affairs.

By Mr. BURDICK: Joint resolution (H. J. Res. 474) providing cropping privileges to landowners who have sold their lands to the Government; to the Committee on the Public Lands.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Commonwealth of Kentucky, urging an amendment to the Constitution of the United States to replace the Agricultural Adjustment Administration; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 10727) granting an increase of pension to Linda May Hyatt; to the Committee on Invalid Pensions.

By Mr. BANKHEAD: A bill (H. R. 10728) for the relief of John A. Shannon; to the Committee on Military Affairs.

By Mr. CUMMINGS: A bill (H. R. 10729) for the relief of Charles Augustus Lathrop; to the Committee on Claims.

By Mr. DOUTRICH: A bill (H. R. 10730) granting a pension to Cora I. Spangler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10731) granting a pension to Annie I. Ritz; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10732) granting a pension to Lottie L. Stoner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10733) granting a pension to Catherine Gunderman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10734) granting an increase of pension to Elizabeth Campbell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10735) granting an increase of pension to Margaret J. Rinehart; to the Committee on Invalid Pensions.

By Mr. FLETCHER: A bill (H. R. 10736) granting an increase of pension to Sarah L. Kooken; to the Committee on Invalid Pensions.

By Mr. GAVAGAN: A bill (H. R. 10737) for the relief of Mrs. Peter (Maria) Koutumas; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 10738) for the relief of Polyxeny Tsoukala; to the Committee on Immigration and Naturalization.

By Mr. GEARHART: A bill (H. R. 10739) for the relief of Mae B. Miller; to the Committee on Claims.

Also, a bill (H. R. 10740) for the relief of George Miller, Jr.; to the Committee on Claims.

By Mr. HUDDLESTON: A bill (H. R. 10741) granting a pension to May Kennedy Rynerson; to the Committee on Pensions.

By Mr. KING: A bill (H. R. 10742) for the relief of Chun Buck; to the Committee on Claims.

By Mr. KINZER: A bill (H. R. 10743) granting an increase of pension to Minnie B. Bell; to the Committee on Invalid Pensions.

By Mr. MARTIN of Massachusetts: A bill (H. R. 10744) for the relief of Eugene Nicholas; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 10745) for the relief of Willis F. Spradlin; to the Committee on Military Affairs.

By Mr. SMITH of West Virginia: A bill (H. R. 10746) for the relief of Matt Burgess; to the Committee on Claims.

By Mr. SNYDER of Pennsylvania: A bill (H. R. 10747) granting an increase of pension to Elmira J. Earhart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10748) granting an increase of pension to Melissa D. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10749) granting an increase of pension to Sarah J. Hochstetler; to the Committee on Invalid Pensions

By Mrs. JENCKES of Indiana: Joint resolution (H. J. Res. 475) to uphold the honor and integrity of this Government and an act of justice to an American native-born citizen; to the Committee on Foreign Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

9860. By Mr. BEITER: Petition of the National Guard Association of the State of New York, Albany, N. Y., recommending the enactment of legislation authorizing an allowance of \$35 per month for quarters to each enlisted man of the United States Army detailed to duty with the National Guard as sergeant-instructor while on such duty; to the Committee on Military Affairs.

9861. By Mr. BELL: Petition of the National Restaurant Association, protesting against governmental competition with private business; to the Committee on Expenditures in the Executive Departments.

9862. By Mr. GOODWIN: Petition of the National Guard Association of the State of New York, recommending that the Congress of the United States be requested to enact legislation authorizing an allowance for quarters to each individual enlisted man of the United States Army detailed to duty with the National Guard as sergeant-instructor while on such duty, also provisions for rental of quarters for such noncommissioned officers; to the Committee on Military Affairs.

9863. By Mr. HILDEBRANDT: Resolution of the Pierpont Commercial Club, O. B. Light, president, requesting extension of payment of seed and feed loans for a period of from 5 to 10 years; to the Committee on Agriculture.

9864. By Mr. JOHNSON of Texas: Petition of Will Mc-Pherson, business manager of Trinity University, Waxahachie, Tex., favoring Senate bill 2883; to the Committee on Agriculture.

9865. Also, petition of Dan Fussell, Charlie Selman, Andrew Sanders, Alva Dugger, Steven Calloway, Ed Latimer, Earnest Barton, Rud Janek, Tom Prikryl, Frank Janek, Frank Halocka, Jim Halacka, Fred Pribyla, Fritz Pribyla, Gene Cantrell, Luther Carter, Jim McKinney, Wilmer McKinney, John Morgan, Burl Hillyer, Hugh Wallace, Stanley Morris, Will Carter, Jess Phillips, Clyde Phillips, Tom Carter, Oliver Wollard, all of Mount Calm, Tex., favoring legislation to take the place of the agricultural legislation declared unconstitutional by the Supreme Court; to the Committee on Agriculture.

9866. Also, petition of Tom Dunn, Asa Richards, Ches. Dunn, R. Baker, Ben Coleman, Claude Parks, Heb Erwin, E. Cunningham, Grover Collins, Will Faulkner, Jess Herring, Jack Duncan, Robert Dennis, Fred McCown, Albert Kyle, Will Rose, Mack Peacock, John Peacock, Joe Connolly, Claude Triplett, and Tom Worley, all of Whitney, Tex., favoring legislation to take the place of the agricultural legislation declared unconstitutional by the Supreme Court; to the Committee on Agriculture.

9867. Also, petition of R. W. Bass, president, Mart Chamber of Commerce and Agriculture, favoring legislation to take the place of the agricultural legislation declared unconstitutional by the Supreme Court; to the Committee on Agriculture.

9868. Also, petition of J. L. Stasney, president, Rock Prairie Farmers' Organization, route 3, Bryan, Tex., favoring legislation to take the place of the agricultural legislation declared unconstitutional by the Supreme Court; to the Committee on Agriculture.

9869. Also, petition of Burris Roberts, Zeak Sweeney, Chester Cretcher, Alva Underwood, Will Hooks, Noel Burgess, Carl Hilton, Emmett Harrison, Ike Stinson, Claude Johns, Rufus Calloway, Reed Slay, Joe Bush, Wallace Stufflebeme,

John Coffin, Paris Reece, Dan Hamilton, George Sweeney, Audive Blissitt, Clay Holland, Joe Martin, Fred Harlan, Lee Files, Charlie Weaver, Cleve Walker, John Davis, and Tom Whitfield, all of Itasca, Tex., favoring legislation to take the place of the agricultural legislation declared unconstitutional by the Supreme Court; to the Committee on Agriculture.

9870. By Mr. MEAD: Petition of the New York State Planning Council, urging Federal legislation to establish a permanent national planning program; to the Committee on Appropriations.

9871. By the SPEAKER: Petition of the Polish Workers' Club Solidarity and International Workers' Order, Inc., Milwaukee, Wis.; to the Committee on Immigration and Naturalization.

9872. Also, petition of the National Restaurant Association; to the Committee on Expenditures in the Executive Departments.

9873. Also, petition of the Minnesota Recovery Pension Association, Inc.; to the Committee on Rules.

9874. Also, petition of Salvatore A. Cotillo; to the Committee on Foreign Affairs.